

Product Note

HSBC Ultra Short Term Fund

(An open ended ultra-short term debt scheme investing in instruments such that the Macaulay Duration of the portfolio is between 3 months to 6 months. Relatively Low interest rate risk and moderate credit risk.)

September 2026

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ^{3 &}
Ultra Short Term Fund	Mahesh Chhabria and Rahul Totla*	NIFTY Ultra Short Duration Debt Index A-I	29 Jan 2020	Rs. 3,628.23 Cr

Quantitative Data		Minimum Investment		
Average Maturity	5.93 Months	Lumpsum ₹ 5,000	SIP ₹ 500	Additional Purchase ₹ 1,000
Modified Duration	5.54 Months			
Macaulay Duration	5.79 Months			
Yield to Maturity	6.74%			

Why HSBC Ultra Short Term Fund?

- The Fund would endeavor to maintain high credit quality portfolio of securities with investment predominantly in securities that have high short term credit quality rating
- The security selection would be driven by investment team's view on credit spreads, liquidity and the risk reward assessment of each security
- The scheme would largely maintain high credit quality portfolio basis in-depth credit evaluation which includes financial position of the issuer, external credit ratings opinions, operational metrics, past track record as well as future prospects of the issuer

Fund Approach

- Investment predominantly in liquid money market instruments, government securities and corporate debt
- The fund typically has a relatively higher portfolio average maturity as compared to liquid/cash fund
- The scheme continues to focus on high credit quality securities and a liquid portfolio
- The focus continues to be on the accrual returns in the portfolio.

Month End Base Expenses Ratios (Annualized)⁴

Plan	Base Expense Ratio (BER)
Regular ⁵	0.31%
Direct	0.14%

Exit Load: NIL, No entry load will be charged to the investor.

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 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.

² Fund's benchmark has changed with effect from May 01, 2024. ³ AUM is as on 31 August 2026. ⁴ BER excludes brokerage & transaction cost, and statutory levies(including GST). Refer to the notice cum addendum issued on March 27, 2026 with respect to change in "Base Expense Ratio (BER) limits" of all schemes of HSBC Mutual Fund effective April 01, 2026. For detailed TER Click Here (https://old.camsonline.com/COL_HSBCDownload.aspx). ⁵ Continuing plans.

Note - *Rahul Totla is the Fund Manager for the scheme effective from January 1, 2026

⁶For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: <https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library/#&accordion1446811090=4>

Note: The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

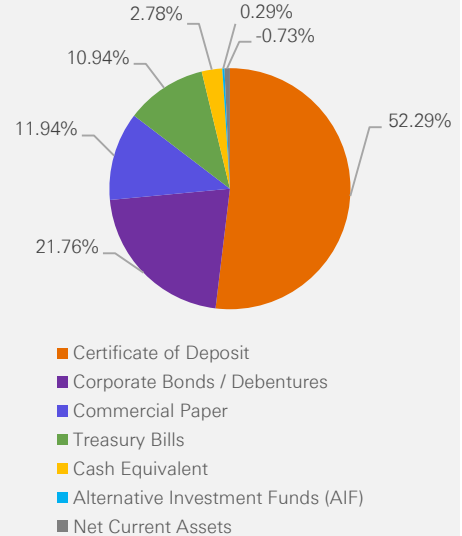
Source – HSBC Mutual Fund, Data as of 31 August 2026. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

Portfolio

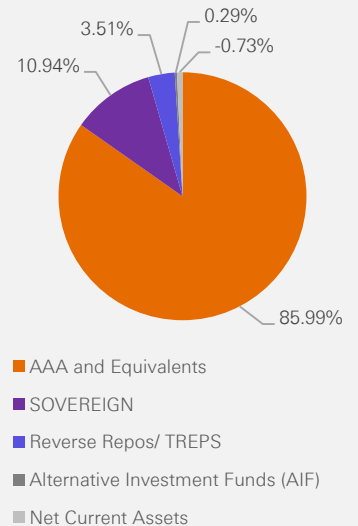
Issuer	Rating	% to Net Assets
Corporate Bonds / Debentures		21.76%
LIC Housing Finance Limited	CRISIL AAA	5.76%
Mindspace Business Parks REIT	CRISIL AAA / ICRA AAA	4.87%
Bharti Telecom Limited	CRISIL AAA	2.91%
Bajaj Finance Limited	CRISIL AAA	2.84%
NABARD	CRISIL AAA / ICRA AAA	3.04%
Bajaj Housing Finance Ltd	CRISIL AAA	1.43%
Embassy Office Parks REIT	CRISIL AAA	0.91%
Money Market Instruments		
Certificate of Deposit		52.29%
Indian Bank	CRISIL A1+	5.41%
Punjab National Bank	CRISIL A1+ / CARE A1+	8.05%
Axis Bank Limited	CRISIL A1+	5.35%
Bank of Baroda	IND A1+ / CRISIL A1+	7.38%
HDFC Bank Limited	CARE A1+ / CRISIL A1+	8.04%
Kotak Mahindra Bank Limited	CRISIL A1+	4.01%
NABARD	CRISIL A1+ / ICRA A1+	5.35%
Union Bank of India	ICRA A1+	2.71%
SIDBI	CRISIL A1+	2.70%
ICICI Bank Limited	ICRA A1+	2.00%
Canara Bank	CRISIL A1+	1.30%
Commercial Paper		11.94%
ICICI Securities Limited	CRISIL A1+	4.00%
L&T Finance Limited	CRISIL A1+	2.67%
Mahindra & Mahindra Financial Serv Ltd.	CRISIL A1+	2.66%
SIDBI	CRISIL A1+	2.61%
Treasury Bills		10.94%
91 Days Treasury Bill 24-Sep-2026	SOVEREIGN	5.50%
364 Days Treasury Bill 26-Nov-2026	SOVEREIGN	2.72%
364 Days Treasury Bill 12-Nov-2026	SOVEREIGN	1.36%
182 Days Treasury Bill 19-Nov-2026	SOVEREIGN	1.36%
Alternative Investment Funds (AIF)		0.29%
Corp Debt Mkt Develop Fund (SBI AIF Fund)	AIF	0.29%
Cash Equivalent		2.78%
TREPS*		3.51%
Net Current Assets		-0.73%
Total Net Assets as on 31-August-2026		100.00%



Asset Allocation



Rating Portfolio



*TREPS : Tri-Party Repo fully collateralized by G-Sec
Portfolio has 2.76% exposure to Interest Rate Swaps

Investment Objective

To provide liquidity and generate reasonable returns with low volatility through investment in a portfolio comprising of debt & money market instruments. However, there is no assurance that the investment objective of the scheme will be achieved..

Fund Manager - Mahesh Chhabria Effective 26 Nov 2022. Total Schemes Managed - 14
Fund Manager - Rahul Totla Effective 01 Jan 2026. Total Schemes Managed - 3

Lump Sum Investment Performance																					Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	7 Days		15 Days		30 Days		3 Months		6 Months		1 Year		3 Years		5 Years		10 Years		Since Inception		
	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	
HSBC Ultra Short Term Fund - Regular Plan~~~~	10011	7.00	10018	4.87	10054	6.55	10198	7.92	10341	6.84	10642	6.38	12253	7.00	13551	6.26	NA	NA	14561	5.87	29-Jan-20
Scheme Benchmark (NIFTY Ultra Short Duration Debt Index A-I)	10011	6.69	10022	5.76	10059	7.15	10202	8.06	10358	7.19	10664	6.61	12325	7.21	13716	6.52	NA	NA	14749	6.07	
Additional (NIFTY Ultra Short Duration Debt Index)	10011	6.62	10023	6.16	10063	7.69	10210	8.40	10380	7.63	10703	6.99	12439	7.54	13937	6.86	NA	NA	15030	6.38	
Additional (CRISIL 1 Year T Bill Index)	10005	2.78	10012	3.10	10035	4.21	10140	5.54	10207	4.12	10432	4.30	12004	6.27	13177	5.67	NA	NA	14252	5.52	
HSBC Ultra Short Term Fund - Direct Plan~~~~	10011	7.20	10019	5.07	10056	6.76	10203	8.12	10343	6.88	10654	6.51	12329	7.22	13698	6.49	NA	NA	14775	6.10	29-Jan-20
Scheme Benchmark (NIFTY Ultra Short Duration Debt Index A-I)	10011	6.69	10022	5.76	10059	7.15	10202	8.06	10358	7.19	10664	6.61	12325	7.21	13716	6.52	NA	NA	14749	6.07	
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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 August 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.

As per clause 6.9.1 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.

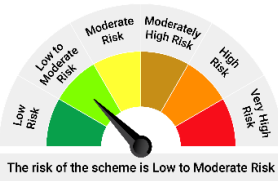
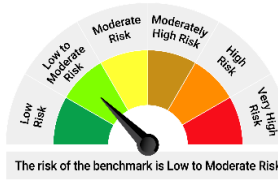
Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 14.3 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., on Disclosure of Performance of Schemes post-merger using the weighted average 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 1000

Returns for Debt schemes has been calculated as on last business day NAV provided as on 31 August 2026.

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

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

Product Label

Scheme name and Type of scheme	*Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
<div>HSBC Ultra Short Term Fund</div> <div>(An open ended ultra-short term debt scheme investing in instruments such that the Macaulay Duration of the portfolio is between 3 months to 6 months. Relatively Low interest rate risk and moderate credit risk.)</div> <div>This product is suitable for investors who are seeking*:</div> <div><div>Income over short term with low volatility.</div><div>Investment in debt & money market instruments such that the Macaulay Duration of the portfolio is between 3 months - 6 months.^</div></div>	 <div>The risk of the scheme is Low to Moderate Risk</div>	<div>As per AMFI Tier 1. Benchmark Index: NIFTY Ultra Short Duration Debt Index A-I</div>  <div>The risk of the benchmark is Low to Moderate Risk</div>

* 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 31 August 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

Potential Risk Class (HSBC Ultra Short Term 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.			

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 may or may not be sustained in future and is not a guarantee of any future returns. Source: HSBC Mutual Fund, data as on 31 August 2026

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