

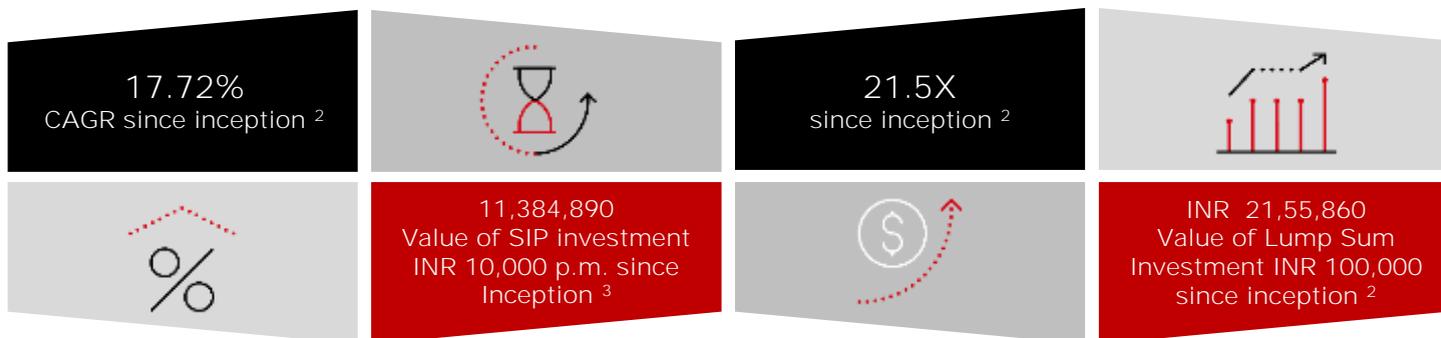
Product Note

HSBC Mid Cap Fund (HMCF) (Formerly known as L&T Midcap Fund)

Mid Cap Fund – An open ended equity scheme predominantly investing in mid cap stocks
(HSBC Midcap Fund has merged into L&T Midcap Fund and the surviving scheme has been renamed)

June 2023

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Mid Cap Fund	Vihang Shankar Naik and Cheenu Gupta	NIFTY Midcap 150 TRI	9 Aug 2004	Rs. 7271.66 Cr



Portfolio	% of net assets
Ratnamani Metals and Tubes Limited	3.38%
Sundaram Finance Limited	2.60%
Bosch Limited	2.46%
Abbott India Limited	2.41%
Emami Limited	2.32%
CRISIL Limited	2.23%
The Ramco Cements Limited	2.20%
Cummins India Limited	2.16%
3M India Limited	1.95%
The Indian Hotels Company Limited	1.95%

Sector - Allocation	% of net assets
Industrial Products	12.10%
Pharmaceuticals & Biotechnology	11.02%
Finance	7.65%
Auto Components	6.51%
IT - Software	4.61%
Cement & Cement Products	4.60%
Banks	4.37%
Healthcare Services	3.53%
Fertilizers & Agrochemicals	3.28%
Consumer Durables	2.88%

Risk Ratios ⁴	
Standard Deviation	13.49%
Beta	0.74
Sharpe Ratio ⁵	1.25
R2	0.93

Load / Expenses	
Entry Load	NA
Exit Load - NIL (after 1 year), 1% (before 1 year) ⁶	
Expense ratio (Other than Direct) ⁷	1.79%
Expense ratio (Direct)	0.71%

¹ 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

² As on 31 May 2023 of Growth option. During the same period, scheme benchmark (S&P BSE 150 MidCap TRI) has moved by NA to Rs NA from Rs 100,000 and delivered return of NA Please refer page no. 3 for detailed performance of HSBC Mid Cap Fund.

³ During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available.

⁴ Statistical Ratios disclosed are as per monthly returns (Annualized) for the last 3 years.

⁵ Risk free rate: 6.40% (FIMMDA-NSE Mibor) as on May 31, 2023

⁶ Exit Load - If the units redeemed or switched out are upto 10% of the units purchased or switched in ("the limit") within 1 year from the date of allotment - Nil

• If units redeemed or switched out are over and above the limit within 1 year from the date of allotment - 1% • If units are redeemed or switched out on or after 1 year from the date of allotment - Nil

⁷ Continuing plans

Data as on 30 April 2023 unless otherwise given

Did you know that in the long run the midcaps have the potential to outperform the benchmarks? Despite being more volatile, midcaps could offer higher growth opportunities and have the potential to generate alpha in the long run.

Why HSBC Mid Cap Fund?

- To seek an exposure in mid cap segment stocks for higher alpha generating opportunities
- A top down and bottom up approach will be used to invest in equity and equity related instruments
- To create a corpus through generating inflation-adjusted returns to cater to long-term goals

Fund Philosophy

- The fund manager actively looks out to identify opportunities in the midcap space arising out of macroeconomic dynamics, new reforms and policies, etc.
- It has a long term performance track record and potential for alpha generation for investors that have patience to endure volatility and stay invested for the long term
- The fund follows robust risk management practice to manage and mitigate risks, especially the ones specific to midcap segment of the market for e.g. Liquidity

Investment Objective

To seek to generate long-term capital growth from an actively managed portfolio of equity and equity related securities of predominantly mid cap companies. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

HSBC Mid Cap Fund (HMF) | Product Note
[June 2023]

Fund Managers - Vihang Shankar Naik (No of Schemes Managed – 4) - Managing Fund Since 28 June 2016 and Cheenu Gupta (No of Schemes Managed – 8) - Managing Fund Since 26 Nov 2022 and Sonal Gupta (No of Schemes Managed - 4, for investment in foreign securities)

Lump Sum Investment Performance									Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Mid Cap Fund-Regular ⁸	11253	12.53	19475	24.83	15158	8.67	215586	17.72	09-Aug-04
Scheme Benchmark (NIFTY Midcap 150 TRI)	11981	19.81	25613	36.74	19766	14.59	NA	NA	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	143121	15.19	

Performance of other funds managed by the Fund Manager									Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Large and Mid Cap Fund-Regular	11750	17.50	19478	24.83	NA	NA	16564	12.84	28-Mar-19
Scheme Benchmark (NIFTY Large Midcap 250 TRI)	11543	15.43	22419	30.81	NA	NA	18380	15.68	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	NA	NA	16836	13.28	
HSBC Small Cap Fund-Regular ⁹	12165	21.65	31077	45.83	18762	13.40	48596	19.07	12-May-14
Scheme Benchmark (NIFTY Small Cap 250 TRI)	11539	15.39	28748	42.10	16579	10.63	37149	15.59	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	29589	12.72	
HSBC ELSS Fund-Regular	11550	15.50	19190	24.22	15117	8.61	84876	13.19	27-Feb-06
Scheme Benchmark (Nifty 500 TRI)	11274	12.74	20806	27.61	17904	12.35	72654	12.17	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	74521	12.34	
HSBC Tax Saver Equity Fund-Regular	11045	10.45	19474	24.83	15500	9.16	57845	11.29	05-Jan-07
Scheme Benchmark (Nifty 500 TRI)	11274	12.74	20806	27.61	17904	12.35	57315	11.23	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	56617	11.14	
HSBC Value Fund-Regular	11881	18.81	22533	31.04	17492	11.83	63844	14.84	08-Jan-10
Scheme Benchmark (Nifty 500 TRI)	11274	12.74	20806	27.61	17904	12.35	41614	11.23	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	41555	11.22	
HSBC Flexi Cap Fund-Regular	11496	14.96	19245	24.34	15405	9.02	165955	15.69	24-Feb-04
Scheme Benchmark (Nifty 500 TRI)	11274	12.74	20806	27.61	17904	12.35	138143	14.59	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	130323	14.25	
HSBC Conservative Hybrid Fund – Regular	10848	8.48	12747	8.41	13938	6.86	46957	8.35	24-Feb-04
Scheme Benchmark (NIFTY 50 Hybrid Composite Deb 15:85 Index)	10947	9.47	12806	8.58	15396	9.01	47133	8.38	
Additional Benchmark (CRISIL 10 year Gilt Index)	11004	10.04	10979	3.16	13922	6.84	28647	5.61	
HSBC Equity Savings Fund-Regular	10931	9.31	15526	15.76	14343	7.48	24840	8.14	18-Oct-11
Scheme Benchmark (NIFTY Equity Savings Index)	10866	8.66	14072	12.04	15228	8.77	28731	9.50	
Additional Benchmark (CRISIL 10 year Gilt Index)	11004	10.04	10979	3.16	13922	6.84	21614	6.86	

Note - Sonal Gupta shall be dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

Past performance may or may not be sustained in the future. Source: HSBC Asset Management India, data as at 31 May 2023

Past performance may or may not be sustained in the future. Refer note below.

Name of Scheme	Fund Manager	No. of funds managed and Co-managed
HSBC Midcap Fund	Vihang Shankar Naik- Since June 28 2016 Cheenu Gupta- Since Nov 26 2022	Vihang Shankar Naik-4 Cheenu Gupta-8
HSBC Large & Mid Cap Fund	Cheenu Gupta- Since Nov 26, 2022 Neelotpal Sahai- Since Mar 28, 2019	Cheenu Gupta-8 Neelotpal Sahai-4
HSBC Small Cap Fund	Venugopal Manghat- Since Dec 17, 2019 Vihang Shankar Naik- Since Dec 17, 2019	Venugopal Manghat-5 Vihang Shankar Naik-4
HSBC ELSS Fund	Cheenu Gupta- Since Jul 02, 2021 Gautam Bhupal- Since Nov 26, 2022	Cheenu Gupta-8 Gautam Bhupal-8
HSBC Tax Saver Fund	Gautam Bhupal- Since July 23, 2019 Cheenu Gupta- Since Nov 26, 2022	Gautam Bhupal-8 Cheenu Gupta-8
HSBC Value Fund	Venugopal Manghat- Since Nov 24, 2012 Vihang Shankar Naik- Since Dec 17, 2019	Venugopal Manghat-5 Vihang Shankar Naik-4
HSBC Flexi Cap Fund	Vihang Shankar Naik- Since Nov, 26 2022 Venugopal Manghat- Since Nov, 26 2022	Vihang Shankar Naik-4 Venugopal Manghat-5
HSBC Conservative Hybrid Fund	Ritesh Jain (Fixed Income) Since Nov 26, 2022 Cheenu Gupta (Equity) Since Nov 26, 2022	Ritesh Jain-5 Cheenu Gupta-8
HSBC Equity Savings Fund	Cheenu Gupta (Equity) - Since Jul 02, 2021 Ritesh Jain (Fixed Income) - Since Nov 26, 2022	Cheenu Gupta-8 Ritesh Jain-5
HSBC Aggressive Hybrid Fund	Cheenu Gupta (Equity)- Since July 02, 2021 Shriram Ramanathan (Fixed Income)- Since May 30, 2016	Cheenu Gupta-8 Shriram Ramanathan-11

⁸ HSBC Mid Cap Fund: The launch date of the S&P BSE 150 Mid Cap TRI is November 30, 2017 whereas the inception date of the scheme is August 09, 2004. The corresponding benchmark returns since inception of the scheme is not available.

⁹ HSBC Small Cap Fund: The launch date of the S&P BSE 250 Small Cap Index (INR) is November 30, 2017 whereas the inception date of the scheme is May 12, 2014. The corresponding benchmark returns since inception of the scheme is not available.

SIP Performance - HSBC Mid Cap Fund - Reg					Inception Date: 09-August-04
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	2250000	
Market Value as on May 31, 2023 (₹)	127,569	436,128	838,741	11,384,890	
Scheme Returns (%)	11.96	12.89	13.38	15.29	
NIFTY Midcap 150 TRI - Scheme Benchmark (₹)	132,264	493,364	1,008,439	NA	
NIFTY Midcap 150 TRI - Scheme Benchmark Returns (%)	19.58	21.62	20.91	NA	
Nifty 50 TRI - Additional Benchmark (₹)	128,149	447,595	871,003	8,549,199	
Nifty 50 TRI - Additional Benchmark Returns (%)	12.89	14.70	14.91	12.77	

Since Inception returns are provided from the date of allotment of units. PTP returns – Point to Point 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.

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 May 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. Source: HSBC Asset Management India, data as at 31 May 2023

Product Label

Scheme name and Type of scheme	Riskometer of the Scheme	Riskometer of the benchmark
<p>This product is suitable for investors who are seeking*:</p> <p>HSBC Midcap Fund (Erstwhile L&T Midcap Fund) - Midcap Fund – An open ended equity scheme predominantly investing in mid cap stocks.</p> <ul style="list-style-type: none"> • Long term wealth creation • Investment in equity and equity related securities of mid cap companies. (Benchmark : S&P BSE 150 MidCap TRI Index) <p>HSBC Large and Mid Cap Fund (Erstwhile HSBC Large & Mid Cap Equity Fund) - Large and Mid Cap Fund – An open ended equity scheme investing in both large cap and mid cap stocks.</p> <ul style="list-style-type: none"> • Long term wealth creation and income • Investment predominantly in equity and equity related securities of Large and Mid cap companies (Benchmark : NIFTY Large Midcap 250 TRI) <p>HSBC Small Cap Fund (Erstwhile L&T Emerging Businesses Fund) - Small Cap Fund – An open ended equity scheme predominantly investing in small cap stocks</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 key theme focus being emerging companies (small cap stocks); and foreign securities (Benchmark : S&P BSE 250 Small Cap Index TRI Index) <p>HSBC ELSS Fund (Erstwhile L&T Tax Advantage Fund) - Equity Linked Savings Scheme - An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit</p> <ul style="list-style-type: none"> • Long term capital growth • Investment predominantly in equity and equity-related securities. (Benchmark : NIFTY 500 TRI Index) <p>HSBC Tax Saver Equity Fund - Equity Linked Savings Scheme - An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit</p> <ul style="list-style-type: none"> • Long term capital growth • Investment predominantly in equity and equity-related securities. (Benchmark : NIFTY 500 TRI Index) <p>HSBC Value Fund (Erstwhile L&T India Value Fund) - Value Fund - An open ended equity scheme following a value investment strategy.</p> <ul style="list-style-type: none"> • Long term capital appreciation • Investment predominantly in equity and equity-related securities in Indian markets and foreign securities with higher focus on undervalued securities. (Benchmark : NIFTY 500 TRI Index) <p>HSBC Flexi Cap Fund - Flexi Cap Fund – An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks.</p> <ul style="list-style-type: none"> • To create wealth over long term • Investment in equity and equity related securities across market capitalizations. (Benchmark : NIFTY 500 TRI Index) 	 <p>Investors understand that their principal will be at Very High risk</p>	

HSBC Conservative Hybrid Fund (Erstwhile HSBC Regular Savings Fund)

 <p>Investors understand that their principal will be at Moderately High risk</p>	<p>Conservative Hybrid Fund– An open ended hybrid scheme investing predominantly in debt instruments.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Investment in fixed income (debt and money market instruments) as well as equity and equity related securities • Capital appreciation over medium to long term 	<p>Benchmark Index: NIFTY 50 Hybrid Composite Debt 15:85 Index</p> 
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HSBC Equity Savings Fund (Erstwhile L&T Equity Savings Fund)		
 <p>Investors understand that their principal will be at Moderately High risk</p>	<p>Equity Savings Fund – An open ended scheme investing in equity, arbitrage and debt.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> Investment in fixed income (debt and money market instruments) as well as equity and equity related securities Capital appreciation over medium to long term 	<p>Benchmark Index: NIFTY Equity Savings Index</p> 

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>Benchmark Index: Nifty 50 Hybrid composite debt 65:35 Index</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 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 31 May 2023

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