

SIPs sahi hai to achieve your financial goals

An Investor Awareness & Education Initiative

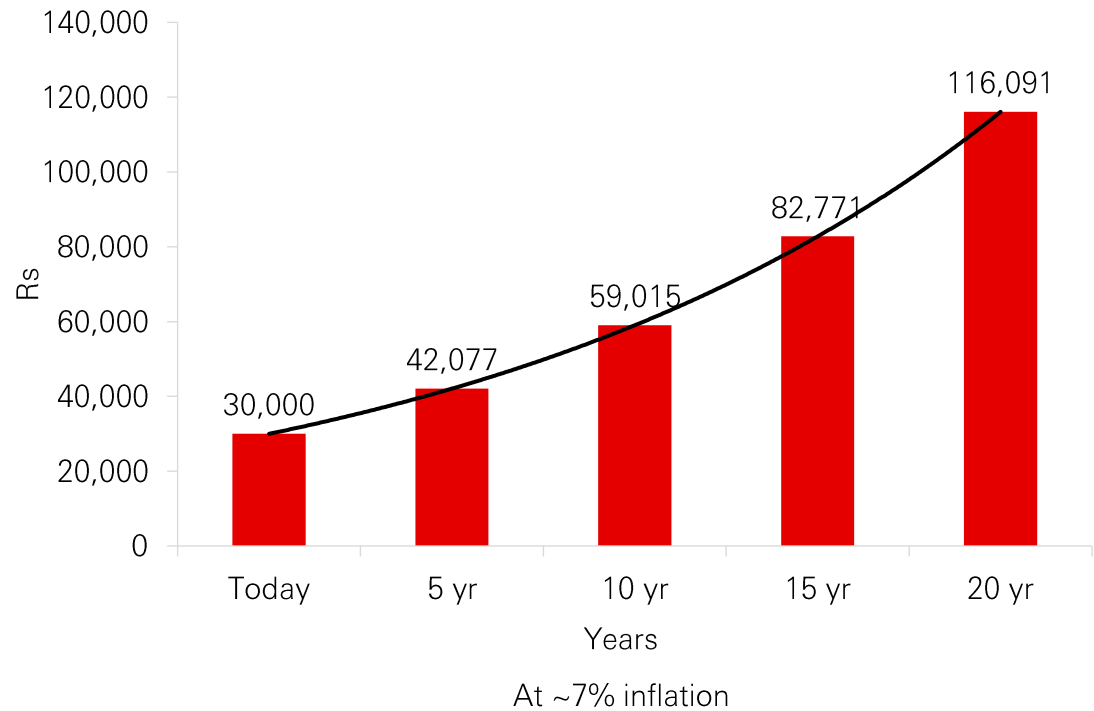


HSBC Mutual Fund

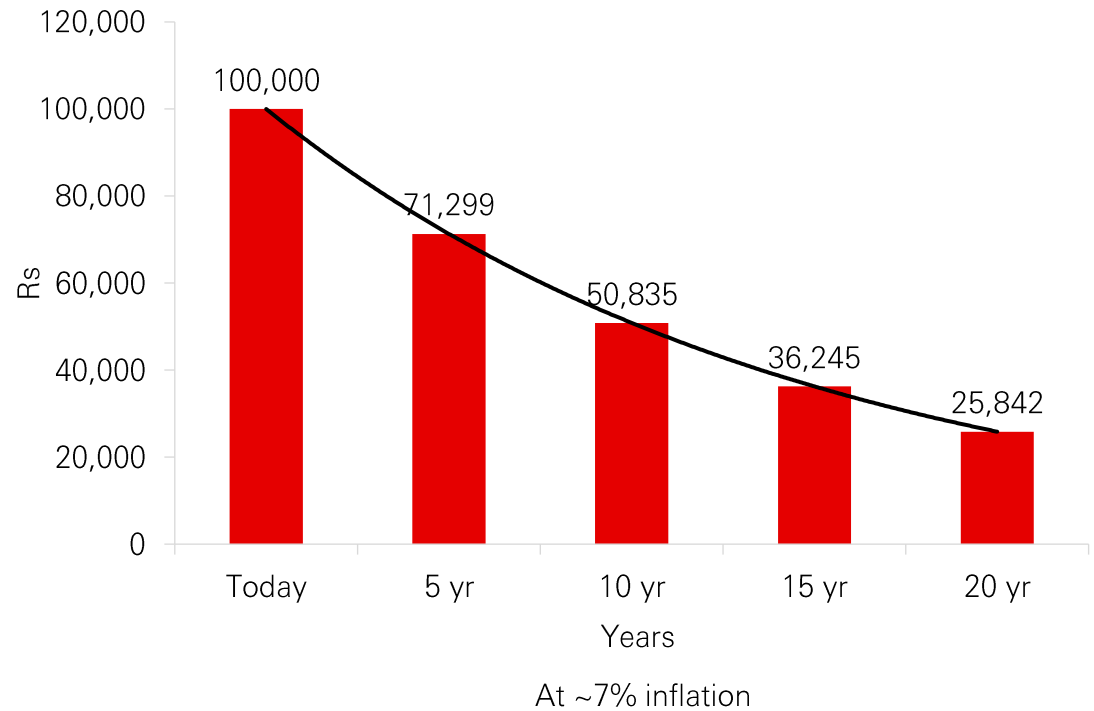
| Opening up a world of opportunity

Savings not enough as inflation erodes the value of money

Real cost of expense over time



Value of Rs 100,000 over time



Equity investments through SIPs can help beat inflation with better expected growth rates

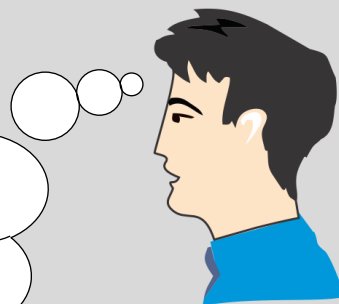
Source: labourbureau.gov.in, CRISIL
Inflation represented average of monthly inflation of industrial workers declared since January 1993 till October 2025
Past performance may or may not be sustained in future and is not a guarantee of any future returns

SIPs can help achieve your financial goals

Short-term goals

Year: 2021

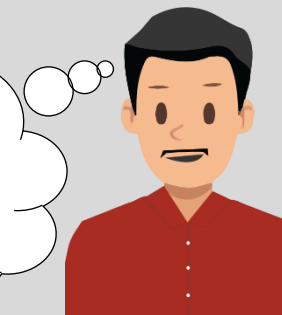
25-year-old Raghav is thinking of getting married in 3 years and wishes to go to an exotic location for honeymoon



Long-term goals

Year: 2009

Nisha and Aditya wanted to enroll their son in a foreign university after 18 years



Year 2024

Raghav garnered Rs 4.74 lakh by investing his savings of ~Rs 11,000 per month during this period



Year: 2024

Nisha and Aditya invested Rs 10,000 per month over 15 years to accumulate ~Rs 50 lakh, which helped them to achieve their goal

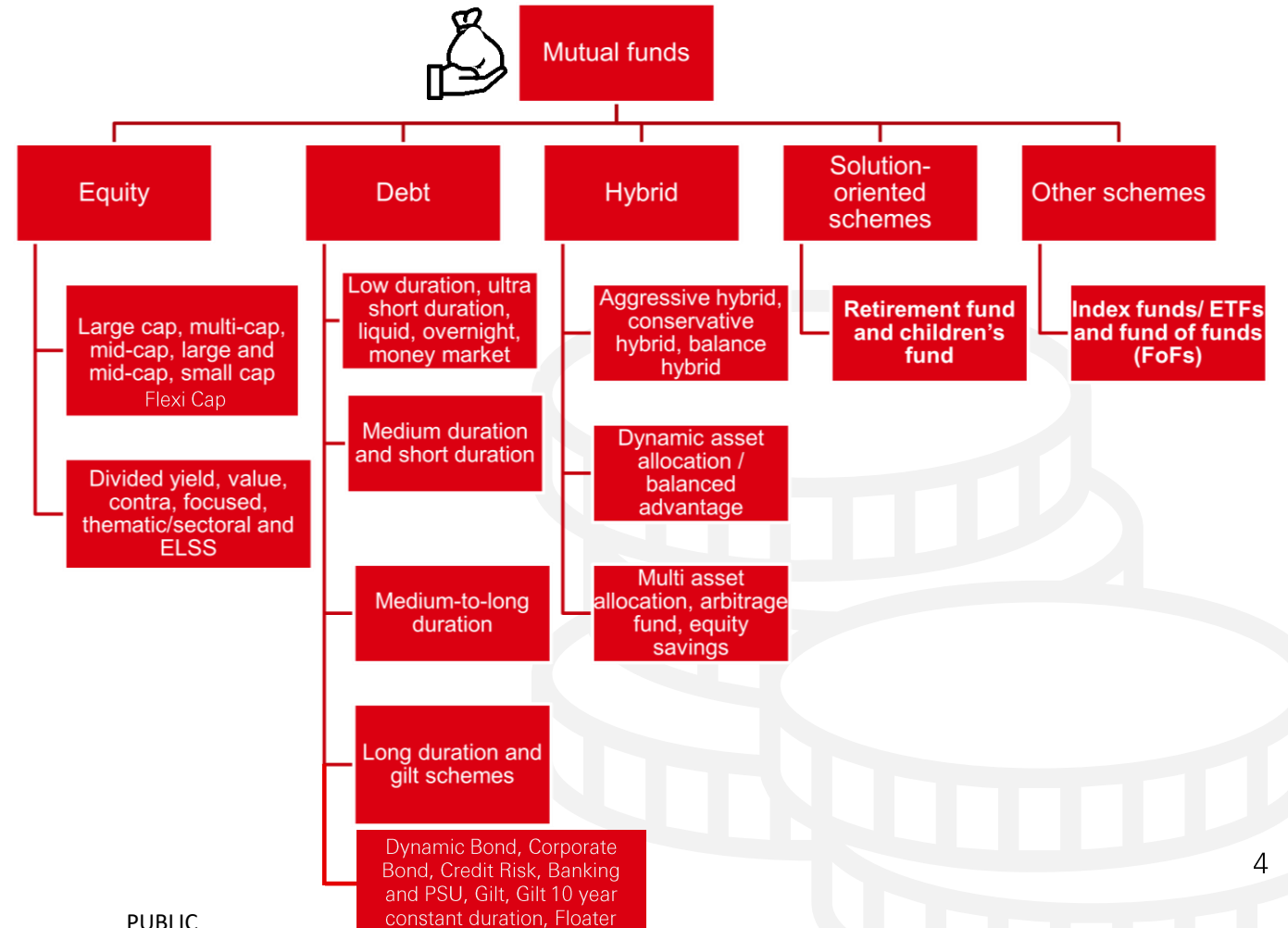
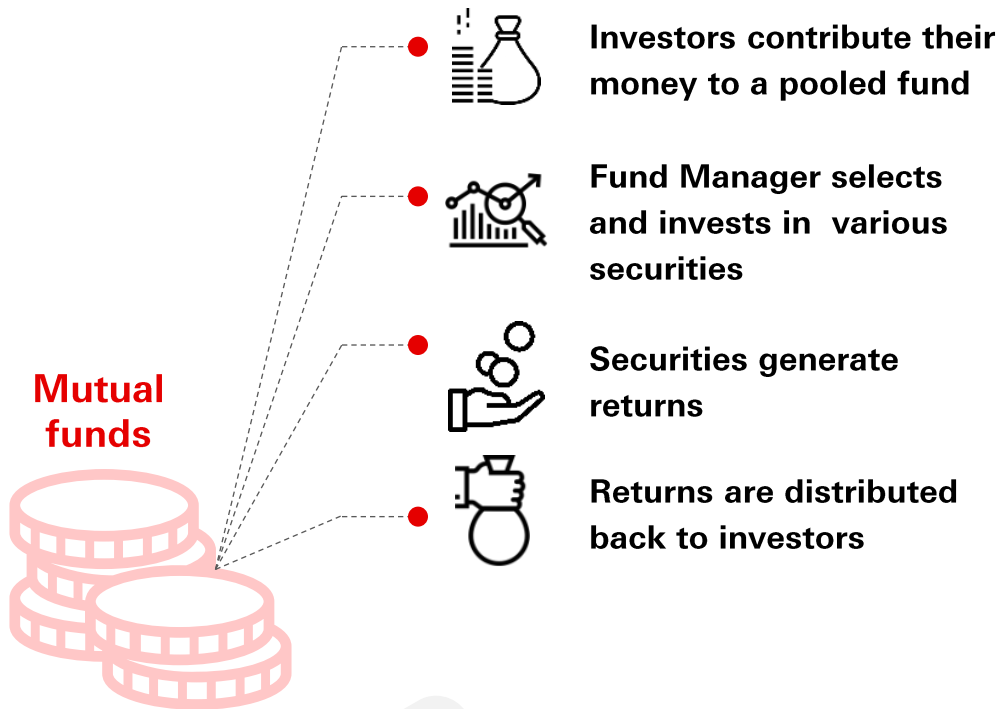


Everyone has short- and long-term goals. Some might look achievable, and some improbable. Investing through systematic investment plans (SIPs) can help achieve financial goals.

Source – CRISIL Research, HSBC MF, AMFI, BSE, Mean CAGR returns considered for illustration is 12.62% by taking mean of 10-year rolling returns between 1 June 2014 and 31 May 2024 of BSE Sensex. The above illustration is provided as per AMFI Best Practice Guidelines Circular No. 109 dated November 01, 2023 read with 109A dated September 10, 2024 and as amended from time to time to define the concept of power of compounding. Past performance may or may not be sustained in future and is not a guarantee of any future returns. The investors should not consider the same as investment advice

Understanding Mutual funds and SIP

- Mutual funds pool money from multiple investors
- with a shared investment objective and
- allocate it across equities, bonds, money market instruments, and other securities.



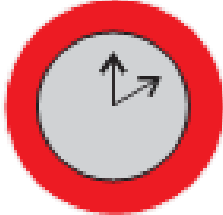
Source: CRISIL, SEBI, Infographic for illustration purposes only.

Benefits of SIPs

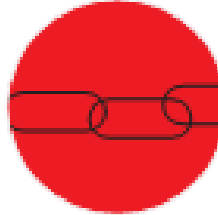
Mutual funds allows investors to invest small amounts regularly through SIP method



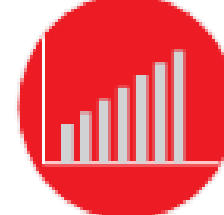
**Rupee-cost
averaging**



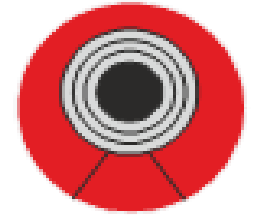
**No need for
market timing**



**Compounding
benefits**



**Beat the
inflation**



**Instil investment
discipline**

Let's check how above benefits are offered under SIP over the next few slides

Source: CRISIL, Past performance may or may not be sustained in future and is not a guarantee of any future returns

Rupee-cost averaging

- SIPs offer the advantage of rupee-cost averaging to long-term investments
- Investors buy at different intervals, thus capturing the ups and down of the market cycle
- For instance, with Rs 10,000, one can buy 500 units of Rs 20 or 1,000 units of Rs 10 each, as market goes up or down

More units are purchased when a scheme's NAV is lower and fewer units when the NAV is higher

Investment (a)	NAV (b)	No. of units (a)/(b)
Rs 10,000	Rs 20.00	500
Rs 10,000	Rs 10.00	1000
Average cost/unit*	Rs 13.33	

As you can see,
when the NAV falls,
you accumulate
more units, and vice
versa, thereby
averaging out the
cost

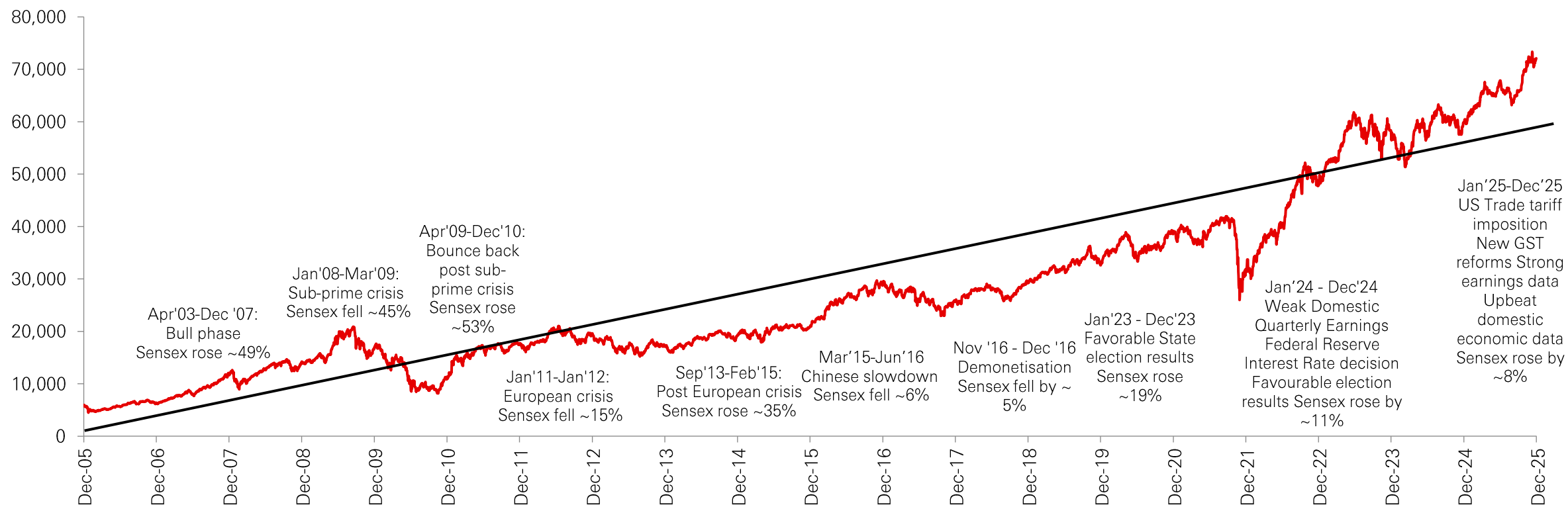
Rupee-cost averaging

The longer the time frame, greater the benefits from averaging

Source – CRISIL Research, The above calculations are for illustration purposes only. *Average cost = Total amount invested / Total units accumulated
Past performance may or may not be sustained in future and is not a guarantee of any future returns

When market falls, your SIP accumulates more units

BSE Sensex



No need for market timing

The most powerful force in the Universe

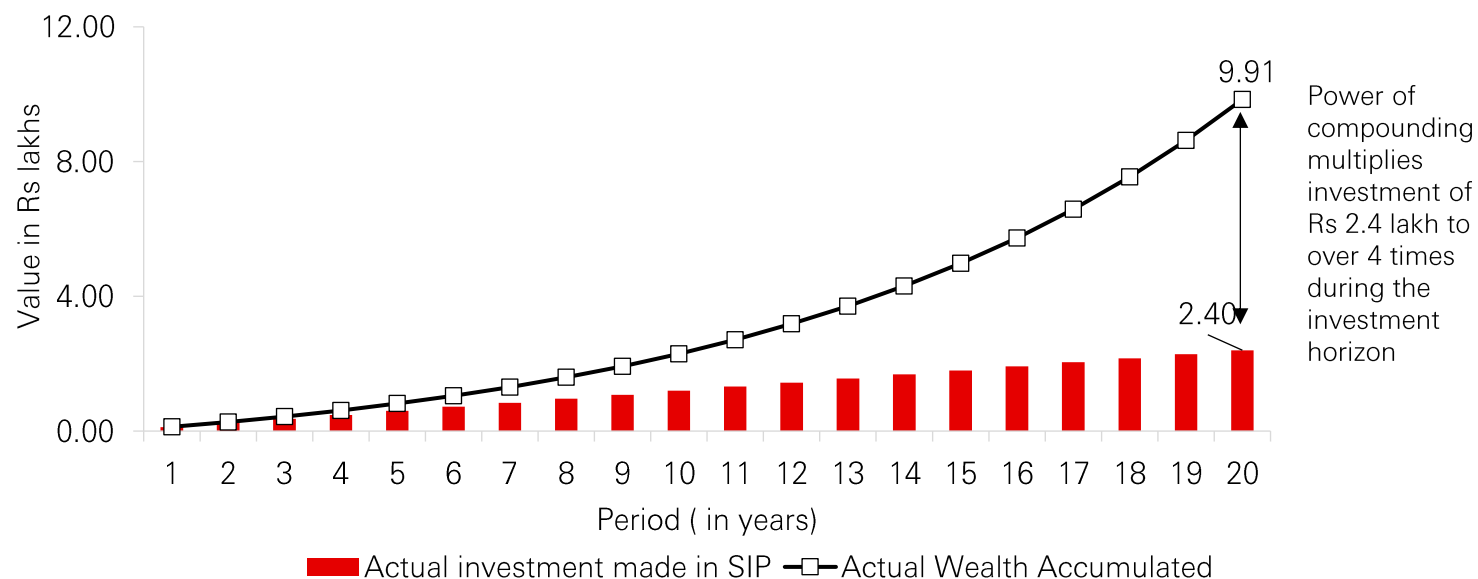
Source: BSE, CRISIL Research, Data as of 31 December 2025.

Returns for period less than one year are absolute; otherwise, annualised

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

Start SIPs early to get the benefit of long-term investing

- The longer the investment period, the higher is the compounding effect of money.
- There is a famous quote that, "Compound interest is the eighth wonder of the world. He who understands it, earns it; he who doesn't, pays it."
- As investor started a monthly SIP of Rs1,000 in an equity mutual fund 20 years back, his / her actual investment of Rs 2.40 lakh catapult to Rs 9.91 lakh in 20 years.



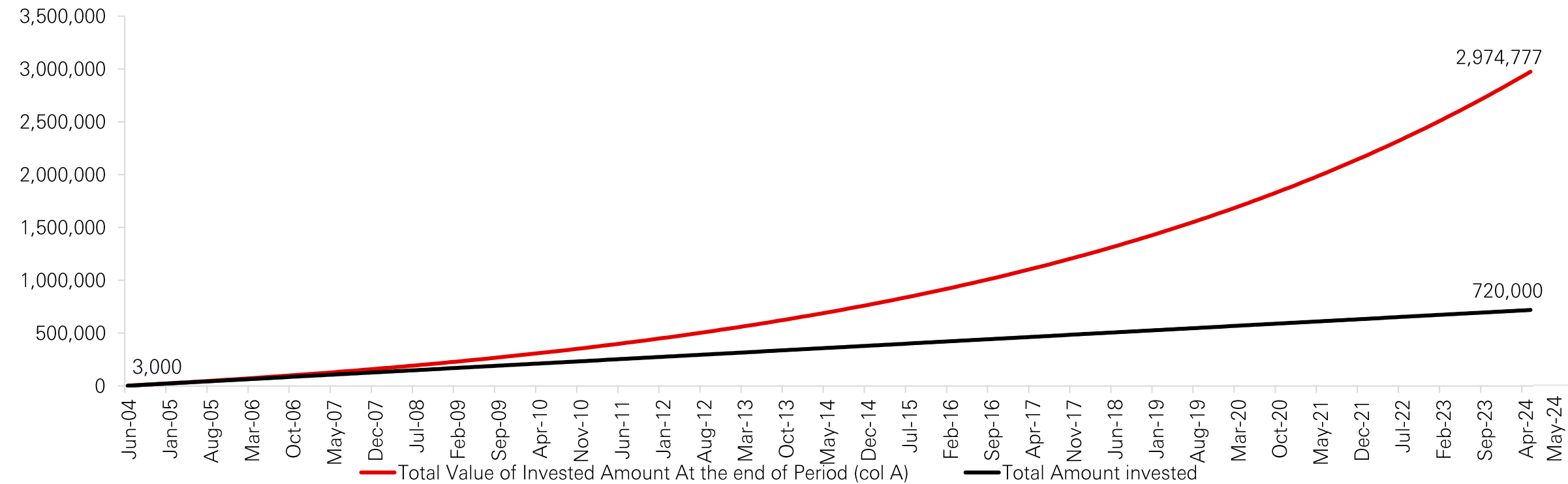
Compounding

The most powerful force in the Universe

Source – CRISIL Research, HSBC MF, AMFI, BSE, Data period 1 Jun 2004 to 31 May 2024, Mean CAGR returns considered for illustration is 12.62% by taking mean of 10-year rolling returns between 1 June 2014 and 31 May 2024 of BSE Sensex. The above illustration is provided as per AMFI Best Practice Guidelines Circular No. 109 dated November 01, 2023 read with 109A dated September 10, 2024 and as amended from time to time to define the concept of power of compounding. Past performance may or may not be sustained in future and is not a guarantee of any future returns. The investors should not consider the same as investment advice

SIP Performance

Performance of SIP of Rs.3000 p.m. over 20 years



Beat the inflation

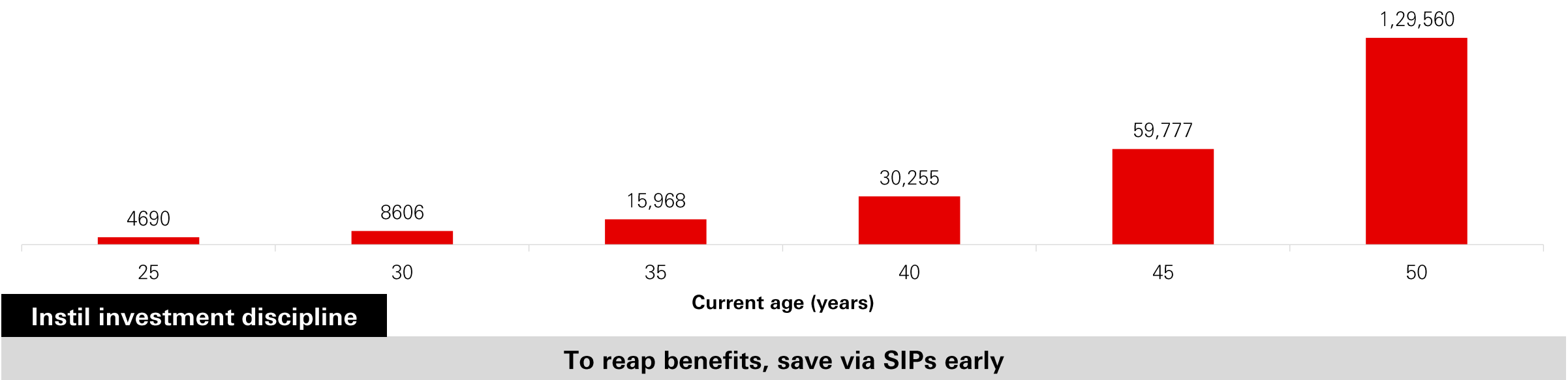
with SIP performance track record

Source – CRISIL Research, HSBC MF, AMFI, BSE, Data period 1 Jun 2004 to 31 May 2024, Mean CAGR returns considered for illustration is 12.62% by taking mean of 10-year rolling returns between 1 June 2014 and 31 May 2024 of BSE Sensex. The above illustration is provided as per AMFI Best Practice Guidelines Circular No. 109 dated November 01, 2023 read with 109A dated September 10, 2024 and as amended from time to time to define the concept of power of compounding. Past performance may or may not be sustained in future and is not a guarantee of any future returns. The investors should not consider the same as investment advice.

Delay in action can cost you the compounding benefit

- If a particular amount is invested for the long term, the interest on the investment gets re-invested (compounding effect), thereby earning higher returns
- But deferment would require a higher investment amount to reach the same goal
- Illustration: A 25-year-old investor invests a monthly amount of Rs 4690 to build a retirement corpus of Rs 3 crore by the age of 60 (i.e. from Jun 1989 to May 2024), at a 12.62% growth rate. However, a delay of five years (i.e. from Jun 1994 to May 2024), required doubling the monthly investment to reach the goal

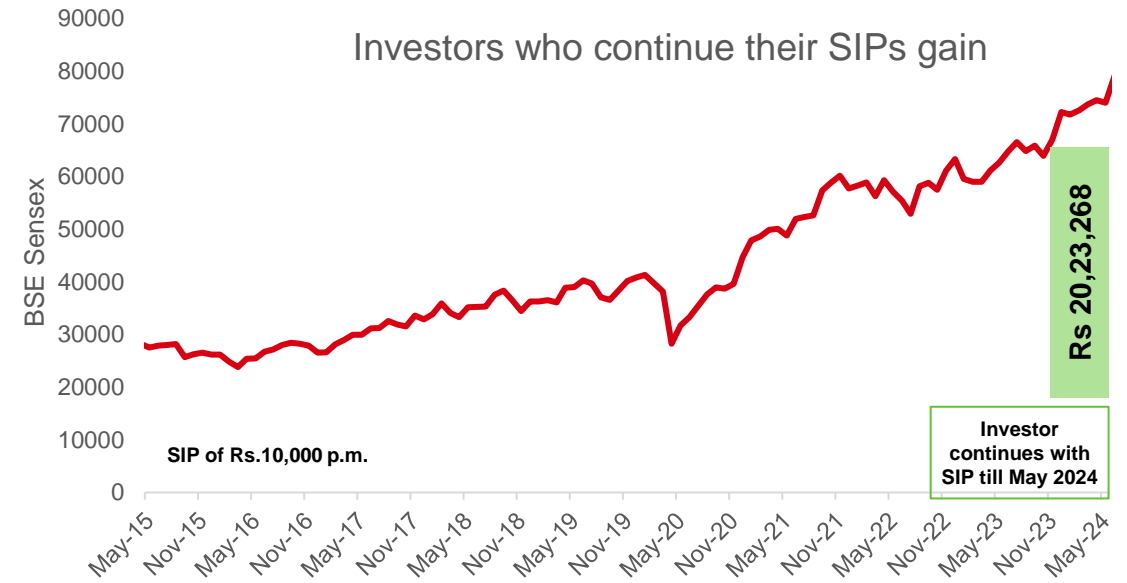
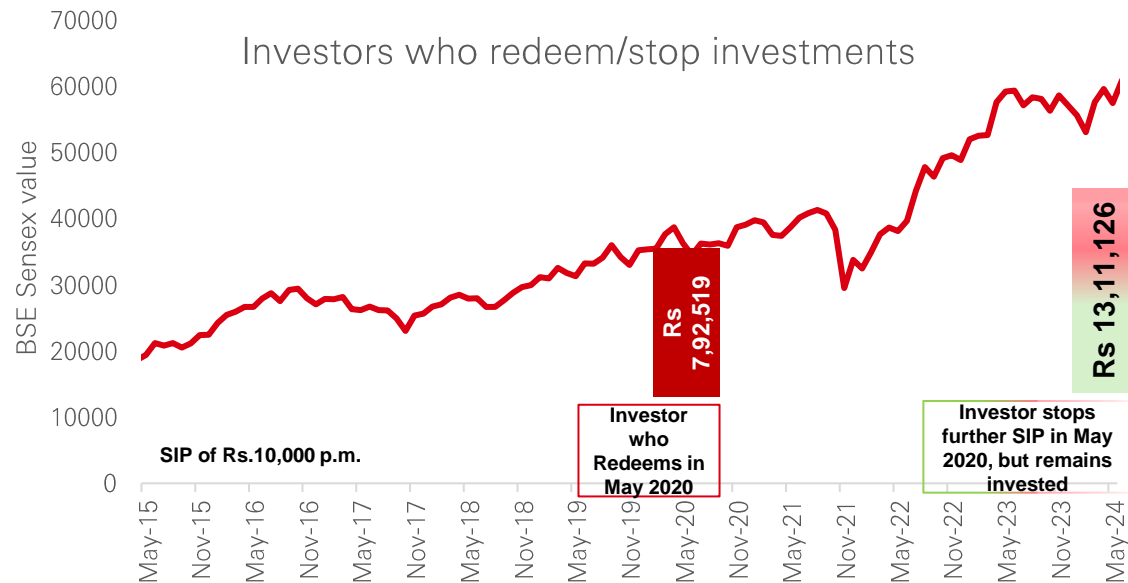
Cost of delay - Monthly amount required to build retirement kitty of Rs 3 crore nearly doubles due to a delay of 5 years



Source – CRISIL Research, HSBC MF, AMFI, BSE, Mean CAGR returns considered for illustration is 12.62% by taking mean of 10-year rolling returns between 1 June 2014 and 31 May 2024 of BSE Sensex. The above illustration is provided as per AMFI Best Practice Guidelines Circular No. 109 dated November 01, 2023 read with 109A dated September 10, 2024 and as amended from time to time to define the concept of power of compounding. Past performance may or may not be sustained in future and is not a guarantee of any future returns. The investors should not consider the same as investment advice

Investors who redeem/stop investments lose out long-term opportunities

- A and B started their SIPs in May 2015, with both investing Rs 10,000 per month
- Everything was fine with their investments until the Covid pandemic affected markets in 2020
- While A redeemed his investments in May 2020, B stopped his SIP investments post May 2020, but did not withdraw his money
- A received ~Rs 7.92 lakh from his cumulative investment at an 12.62% at the end of May 2020. B, who had not withdrawn his investments, and did not invest any more after the covid pandemic, saw returns of ~Rs 13.11 lakh as of May 2024 with returns of 12.62%.
- At the same time C started investing Rs 10,000 per month in May 2015 and persisted with her investment over the years. Her total investment of Rs 10.9 lakh had a market value of ~ Rs 20.23 lakhs in May 2024 at 12.62%* rate of return.



Source: BSE, CRISIL Research, HSBC MF, AMFI, BSE, The above illustration is provided as per AMFI Best Practice Guidelines Circular No. 135/BP/ 109 /2023-24 dated November 01, 2023 read with 135/BP/ 109-A /2023-24 dated September 10, 2024 and as amended from time to time to define the concept of power of compounding. *Mean CAGR returns considered for illustration is 12.62% by taking mean of 10-year rolling returns between 1 June 2014 and 31 May 2024 of BSE Sensex. Monthly SIP of Rs10,000 in BSE Sensex from June 2015 on the first day of the month. Past performance may or may not be sustained in future and is not a guarantee of any future returns. The investors should not consider the same as investment advice. Please consult your financial advisor for any investment decisions.

Market cycles may not affect SIPs

- As explained, rupee-cost averaging works well with SIPs as you don't need to time the market. Thus, market cycles do not impact your SIPs.
- It is difficult to consistently predict the exact top or bottom of a market cycle. At best, investors can create and follow a valuation checklist whenever they deviate from their strategic asset allocation. This should help them reduce portfolio-level volatility to some extent while participating in the equity market.
- For instance, in market cycle 4 in the table below, SIP is started in January 2015, at the peak of the BSE Sensex TRI, just before the 21% market correction. Over time, total SIP investments are of Rs 11.7 lakh, which grew to Rs 27.1 lakh as of September 30, 2024, yielding an annual return of 16.7% XIRR. In contrast, SIP started in February 2016, after the market correction SIP investment of Rs 10.4 lakh, which was valued Rs 22.7 lakh as of September 30, 2024, earned an annual return of 17.44% XIRR. Notably, though on first market cycle date investment was only Rs 1.3 lakh more than second market cycle date SIP, the market value of first investments was Rs 4.5 lakh higher.

Market cycle	SIP start month	Market Cycle Date	BSE Sensex TRI level	Market correction (%)	Correction tenure (months)	SIP period (years)	Amount invested (Rs lakh)	Valuation as on Sep 30 (Rs lakh)	Difference in invested amount (Rs lakh)	Difference in final value (Rs lakh)	SIP XIRR (%)
1	10-May-2006	1	15186	-29%	1	18.4	22.1	93.0	0.1	1.0	13.96
	14-Jun-2006	2	10790			18.3	22.0	92.0			13.98
2	09-Jan-2008	1	25752	-60%	13	16.8	20.1	77.3	1.4	11.3	14.54
	06-Mar-2009	2	10423			15.6	18.7	66.1			14.76
3	04-Nov-2010	1	26825	-26%	13	13.9	16.7	52.6	1.3	7.4	15.21
	20-Dec-2011	2	19759			12.8	15.4	45.2			15.69
4	28-Jan-2015	1	40426	-21%	12	9.8	11.7	27.1	1.3	4.5	16.70
	11-Feb-2016	2	31840			8.7	10.4	22.7			17.44
5	14-Jan-2020	1	61231	-38%	2	4.8	5.7	9.2	0.2	0.4	20.83
	23-Mar-2020	2	38017			4.6	5.5	8.9			21.65

- It is interesting to note that while the % return is marginally higher for second market cycle date, the absolute gain in rupee terms (wealth creation) is far higher for first market cycle date.
- The 'cost of delay' in starting SIP can be huge over the long term. The longer the market takes to reach the bottom, the higher the cost of delay, provided all other factors remain constant.

The biggest risk is not the market, but missing out on compounding over time

Source: CRISIL MI&A Research
Past performance may or may not be sustained in future and is not a guarantee of any future returns

Short-term volatility is an intrinsic part of equity investments

Long-term investment pays off

BSE Sensex	3-year rolling returns	5-year rolling returns	7-year rolling returns	10-year rolling returns	15-year rolling returns
Average rolling period returns	16.16%	15.78%	15.29%	15.08%	14.33%
Total time periods (monthly rolling)	523	498	475	439	379
Total number of positive returns*	472	466	450	436	379
Total number of negative returns^	51	33	25	3	0
Positive investment periods	88%	93%	95%	99%	100%

The longer you stay invested, the lower is the possibility of negative returns

In the long term, the probability of incurring losses is lower in equity investments

Notes:

Monthly rolling returns for respective holding periods since 30 June 1979. For instance, in case of 15-year monthly rolling returns, there will be 379 return periods. The first return period will be 30 June 1979- 30 June 1994 and the last return period will be 31 Dec 2010- 31 December 2025.

* Positive returns – The number of investment periods during which returns have been positive. For example, where investment returns have been computed for a 15-year rolling period, 379 months offered positive returns (profits), the number of positive returns period = 379

^ Negative returns – Number of investment periods during which returns have been negative. For example, where investment returns have been computed for a 5-year rolling period, 33 months offered negative returns (losses), the number of negative returns = 33

Source: BSE, CRISIL Research

Past performance may or may not be sustained in future and is not a guarantee of any future returns, Data as on 31 Dec '25

Set up small SIPs regularly to achieve your big goals

SIPs can assist you accumulate the corpus for your lifetime financial goals



Child's education



Child's wedding



Retirement



World tour



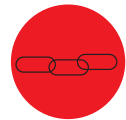

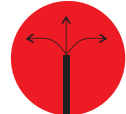
Source – CRISIL Research, HSBC MF

Past performance may or may not be sustained in future and is not a guarantee of any future returns. The investors should not consider the same as investment advice.

Augment SIP quantum as income appreciates

Incremental SIP, commonly referred to as SIP top-up, allows investors to increase their installments by a fixed amount at pre-determined intervals and, thus, leverage rising income

Benefits of SIP top-up:

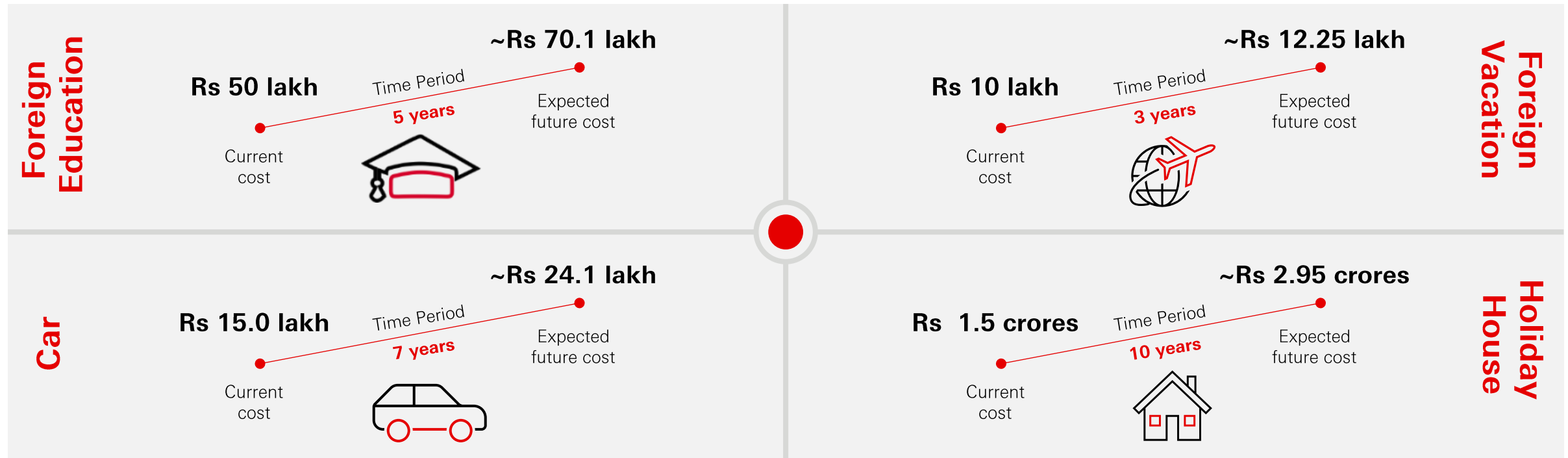
-  Investors with initial low savings can use SIP top-up to gradually increase investment to achieve goals
-  It works on auto-pilot to increase savings in sync with income
-  Wealth grows faster due to the power of compounding
-  It helps avoid paperwork associated with increasing SIP contribution during the tenure
-  It reduces the effort for creating and tracking multiple SIPs in the same scheme

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

Are you prepared to achieve goals on time?

Inflation plays crucial role in financial planning

- Like Anit, we all have dreams, but they may not become reality because we often fail to quantify them as financial goals.
- Every goal requires proper financial planning, considering factors like the future cost of the goal
- Inflation significantly impacts these costs, making it essential to plan ahead. Below are hypothetical illustrations of various priority and lifestyle goals, along with their costs and time horizons.



Source: CRISIL, labourbureau.gov.in, Calculations based on Inflation at ~7%, (Inflation represented average of monthly inflation of industrial workers declared since January 1993 till October 2025)
Infographic for illustration purposes only.

Life Goals

Some achieve their dream goals, others may not

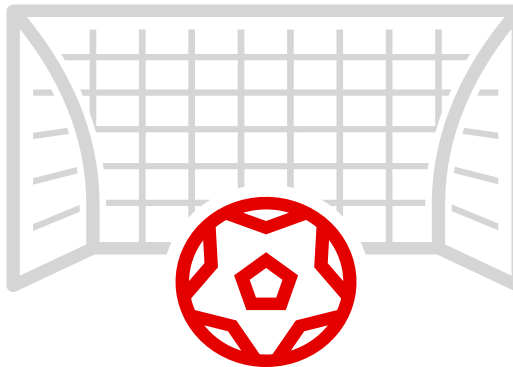


Everyone has life goals

- Travelling the world
- Education for children in foreign
- Making your child a sportsperson
...and many more



This deck can guide you
towards a successful start in
achieving your goals.

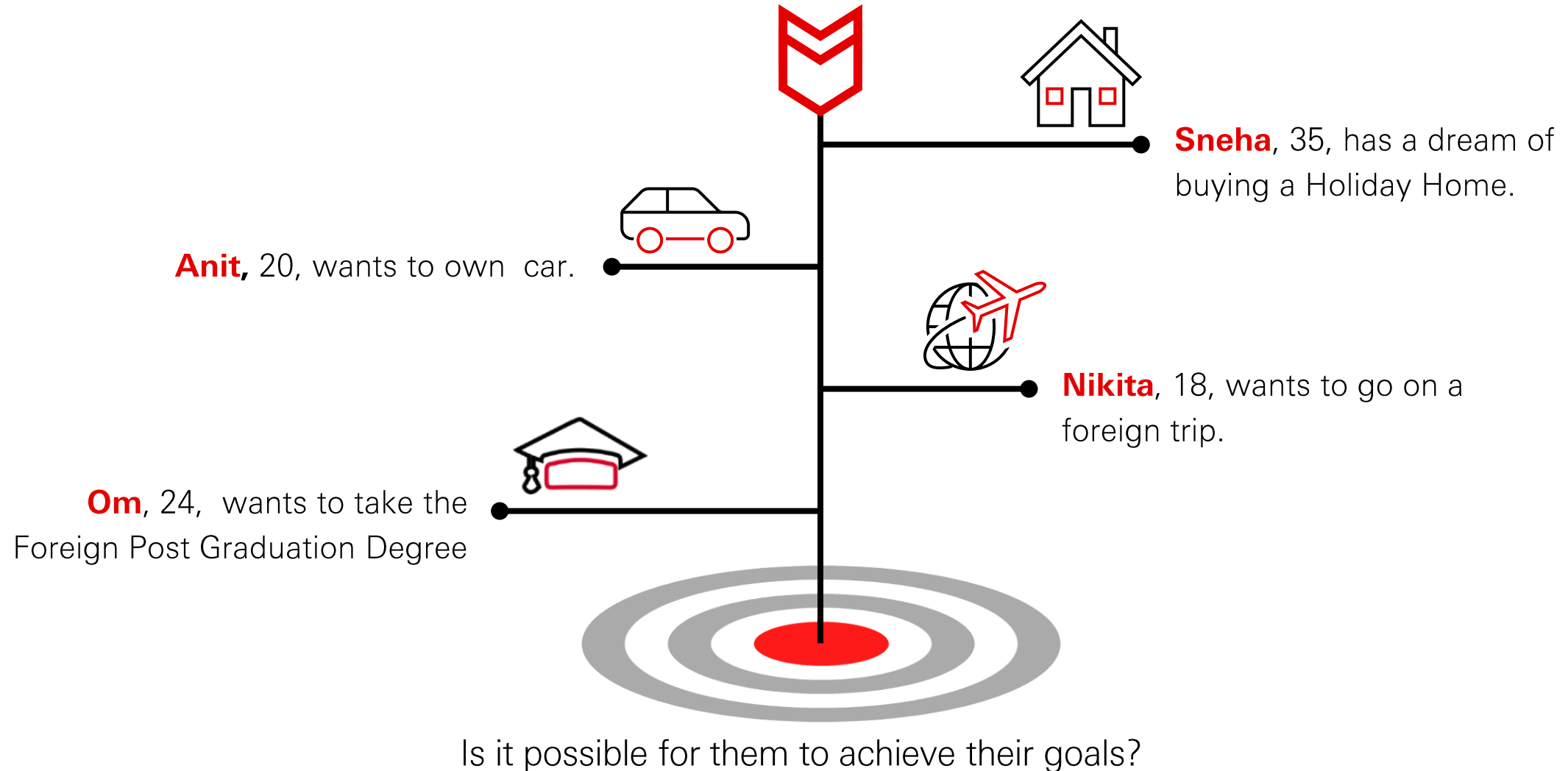


With right financial planning, you can turn aspirations into reality.

Source: CRISIL, Infographic for illustration purposes only. The investors should not consider the same as investment advice

Goal based investment planning

Here are some examples of people with specific goals:



Source: CRISIL, Infographic for illustration purposes only.

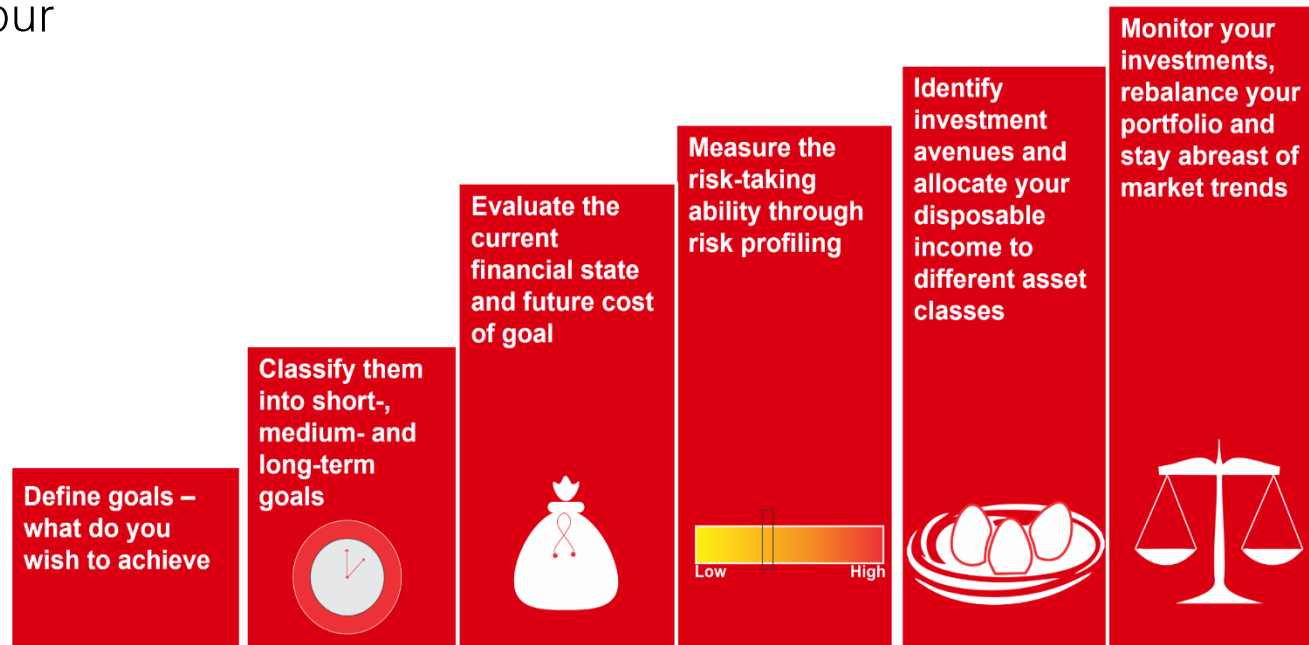
Achieve goals with planning

Goal-based planning is a holistic approach that maps investors' goals to their investments.

In sync with their
Risk profile, Time horizon, Inflation and...

...Personal factors such as
Income, Expenses, Age & Financial responsibilities

Six steps to achieve your **GOALS**



Mutual funds are one of the best investment options to manage risk, grow money and achieve financial goals

Source: CRISIL, Infographic for illustration purposes only.

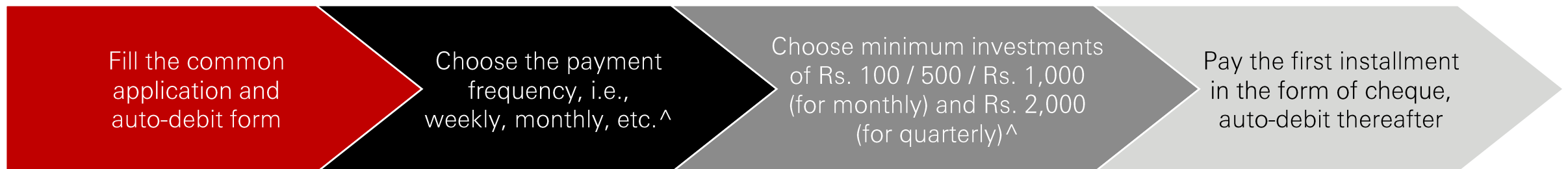
Before initiating an SIP...

- Gauge the investment horizon and risk profile
- Conduct due-diligence
- Define your financial goals

After investing in an SIP...

- Keep track of your investments to ensure they are in sync with the financial plan
- Never fall prey to market volatility and discontinue SIPs, as staying invested is the key to generate optimum returns
- Consider increasing the SIP amount during events such as SIP anniversary or salary increases
- Always follow the three golden rules – invest early, invest regularly, and invest for the long-term

Starting an SIP



^ as fixed by Mutual Fund

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HSBC Asset Management (India) Private Limited, 9-11 Floors, NESCO IT Park, Building no. 3, Western Express Highway, Goregaon (East), Mumbai – 400 063, India.

Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co.in