

Product Note

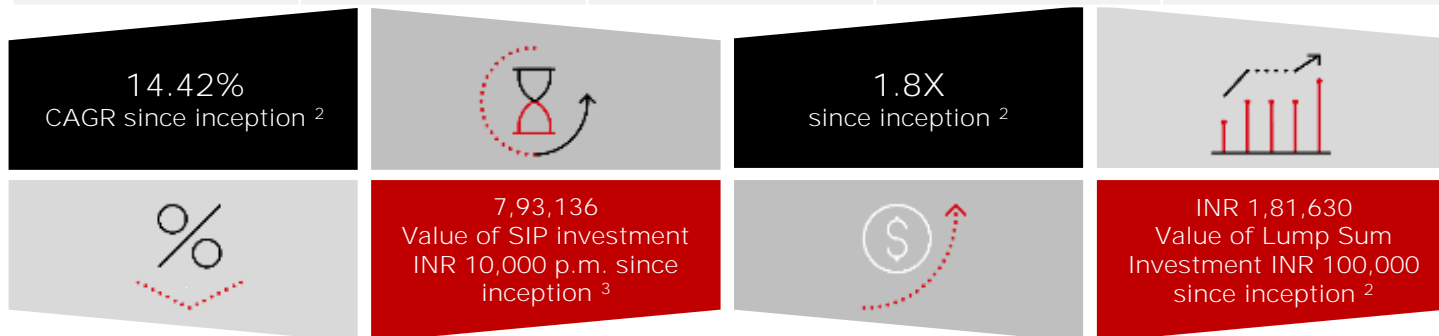
HSBC Large and Mid Cap Fund (HLMF) (Formerly known as HSBC Large & Mid Cap Equity Fund)

Large and Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks.

(L&T Large & Mid Cap Fund has merged into HSBC Large & Mid Cap Equity Fund and the surviving scheme has been renamed)

September 2023

Fund Category	Fund Manager ⁵	Benchmark ¹	Inception Date	AUM
Large & Mid Cap Fund	Cheenu Gupta and Neelotpal Sahai and Sonal Gupta [#]	NIFTY Large Midcap 250 TRI	28 Mar 2019	Rs. 2335.55 Cr



Portfolio	% of net assets
Larsen & Toubro Limited	3.68%
HDFC Bank Limited	3.56%
Polycab India Limited	3.13%
CG Power and Industrial Solutions Limited	3.13%
Cholamandalam Investment & Finance Company Limited	2.99%
Mahindra & Mahindra Financial Services Limited	2.87%
TVS Motor Company Limited	2.84%
ICICI Bank Limited	2.71%
Safari Industries India Limited	2.41%
Max Healthcare Institute Limited	2.38%

Sector - Allocation	% of net assets
Banks	11.39%
Finance	9.44%
IT - Software	9.38%
Auto Components	7.95%
Consumer Durables	7.42%
Electrical Equipment	7.20%
Aerospace & Defense	4.88%
Pharmaceuticals & Biotechnology	4.85%
Industrial Products	4.60%
Automobiles	4.26%

Risk Ratios ⁴	
Standard Deviation	13.13%
Beta	0.80
Sharpe Ratio ⁵	1.10
R2	0.87

Load / Month End Total Expenses Ratios (Annualized) ⁷	
Entry Load	NA
Exit Load - NIL (after 1 year), 1% (before 1 year) ⁶	
Expense ratio (Other than Direct) ⁸	2.04%
Expense ratio (Direct)	1.00%

¹ As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, 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 effective from 01 December 2021.

² As on 31 August 2023 of Growth option regular plan. During the same period, scheme benchmark (Nifty Large Midcap 250 TRI) has moved by 2.0X to Rs. 2,03,490 from Rs.100,000 and delivered returns of 17.39%. Please refer page no. 3 for detailed performance of HSBC Large and Mid Cap Fund.

³ During the same period, value of scheme benchmark (Nifty Large Midcap 250 TRI) has moved to 8,49,768

⁴ Quantitative Data disclosed as per monthly returns (Annualized) for the last 3 years.

⁵ Risk free rate: 6.69% (FIMMDA-NSE Mibor) as on August 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 TER Annualized TER including GST on Investment Management Fees

⁸ Continuing plans

[#] Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund. Data as on 31 August 2023, HSBC Mutual Fund

Data as on 31 August 2023, HSBC Mutual Fund

Why HSBC Large and Mid Cap Fund?

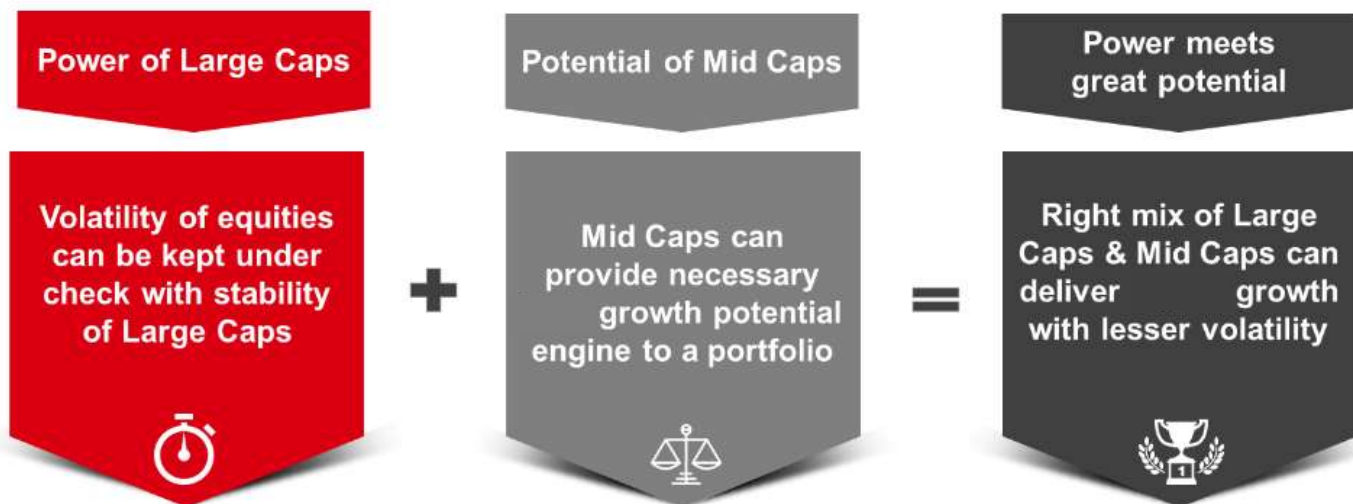
- To achieve relatively lower volatility and performance consistency with optimal allocation to large caps
- To increase the possibility of alpha generation and accelerated growth with potential of mid caps
- A top down and bottom-up approach will be used to invest in equity and equity related instruments
- True to label fund – The fund will stay true to its objective in keeping with the mandate reposed by the investor whilst investing in the fund
- To create a corpus through generating inflation-adjusted returns to cater to long-term goals

Fund Philosophy

- Prefer dominant and scalable businesses available at reasonable valuations
- Profit pool consolidation with dominant players to continue and disruption to accelerate this shift
- Stock selection focuses on earnings growth trajectory and within that, the emphasis lies on earnings surprises
- We would be looking to be in large caps where scale will be an advantage (like banks), while midcaps will be sector leaders or niche players in their respective business.
- For example, specialty chemicals, tiles etc. In some cases, like real estate (which is a regional market share consolidation play), we have a mix of large and mid-cap players

Investment Objective

To seek long term capital growth through investments in both large cap and mid cap stocks. However, there is no assurance that the investment objective of the Scheme will be achieved.



HSBC Large and Mid Cap Fund (HLMF) | Product Note
[September 2023]

Fund Managers - Cheenu Gupta (No of Schemes Managed – 8) - Managing Fund Since 26 Nov 2022 and Neelopal Sahai (No of Schemes Managed – 4) - Managing Fund Since 28 Mar 2019 and Sonal Gupta (No of Schemes Managed - 6, 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 %	28-Mar-19
HSBC Large and Mid Cap Fund-Regular	11797	17.91	18281	22.27	NA	NA	18163	14.42	
Scheme Benchmark (NIFTY Large Midcap 250 TRI)	11573	15.68	20312	26.64	NA	NA	20349	17.39	
Additional Benchmark (Nifty 50 TRI)	10953	9.50	17532	20.58	NA	NA	17574	13.57	

PTP returns – Point to Point returns. As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023 the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units. | IDCW are assumed to be reinvested and Bonus is adjusted. | 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 August 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. Considering the varying maturities of the close ended schemes, the performance of close-ended schemes is not provided as it is strictly not comparable with that of open-ended schemes.

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 May 19, 2023 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.

Note - Sonal Gupta is 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 Mutual Fund, data as on 31 August 2023

Past performance may or may not be sustained in the future.

SIP Performance - HSBC Large and Mid Cap Fund – Regular ^a					Inception Date: 28-Mar-19
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	NA	530000	
Market Value as on August 31, 2023 (₹)	137,853	467,650	NA	793,136	
Scheme Returns (%)	28.76	17.76	NA	18.42	
NIFTY Large Midcap 250 TRI - Scheme Benchmark (₹)	136,791	479,526	NA	849,768	
NIFTY Large Midcap 250 TRI - Scheme Benchmark Returns (%)	26.99	19.55	NA	21.68	
Nifty 50 TRI - Additional Benchmark (₹)	128,540	439,512	NA	752,320	
Nifty 50 TRI - Additional Benchmark Returns (%)	13.48	13.41	NA	15.95	

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.

As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023 the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.



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 August 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. Considering the varying maturities of the close ended schemes, the performance of close-ended schemes is not provided as it is strictly not comparable with that of open-ended schemes.

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Past performance may or may not be sustained in the future. Source: HSBC Mutual Fund, data as on 31 August 2023

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

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 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 TR) 	 <p>RISKOMETER</p> <p>Investors understand that their principal will be at Very High risk</p>	 <p>RISKOMETER</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 August 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 Mutual Fund, data as at 31 August 2023

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 HSBC Mutual Fund, 9-11th Floor, NESCO - IT Park Bldg. 3, Nesco Complex, Western Express Highway, Goregaon East, Mumbai 400063. Maharashtra.
 GST - 27AABCH0007N1ZS, Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co/in

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