

## Product Note

### HSBC Low Duration Fund (HLDF)

(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. (Please refer page 11 of the SID for explanation on Macaulay Duration). A relatively low interest rate risk and moderate credit risk.)

June 2026

Fund Category	Fund Manager	Benchmark <sup>1, 2</sup>	Inception Date	AUM <sup>3 &amp;</sup>
Low Duration	Shriram Ramanathan and Mohd Asif Rizwi	NIFTY Low Duration Debt Index A-I	04 Dec 2010	Rs. 1,012.45 Cr

Quantitative Data		Minimum Investment		
Average Maturity	15.16 Months	Lumpsum	SIP	Additional Purchase
Modified Duration	10.37 Months	₹ 5,000	₹ 500	₹ 1,000
Macaulay Duration	11.06 Months			
Yield to Maturity	7.90%			

### Why HSBC Low Duration Fund?

- Appropriately positioned to provide a carry while maintaining liquidity
- Rigorous credit selection process to spot mispriced credit opportunities.
- Given the portfolio quality, liquidity and carry over other funds, the fund is well positioned in the current market environment.

### Fund Approach

- Focus on generating returns through a yield-oriented and accrual-based strategy
- Reasonably good portfolio quality with a diversified mix of assets and liquidity
- Moderate portfolio duration, while providing yield pickup

#### Month End Base Expenses Ratios (Annualized)<sup>4</sup>

Plan	Base Expense Ratio (BER)
Regular <sup>5</sup>	0.75%
Direct	0.33%

**Exit Load:** NIL, \* In terms of 10.4.1.a. of SEBI Master Circular on Mutual Funds dated June 27, 2024, no entry load will be charged to the investor.

<sup>1</sup> 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.

<sup>2</sup> Fund's benchmark has changed with effect from May 01, 2024.

<sup>3</sup> AUM is as on 31 May 2026

<sup>4</sup> 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](https://old.camsonline.com/COL_HSBCDownload.aspx))

<sup>5</sup> Continuing plans

<sup>6</sup>For 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).

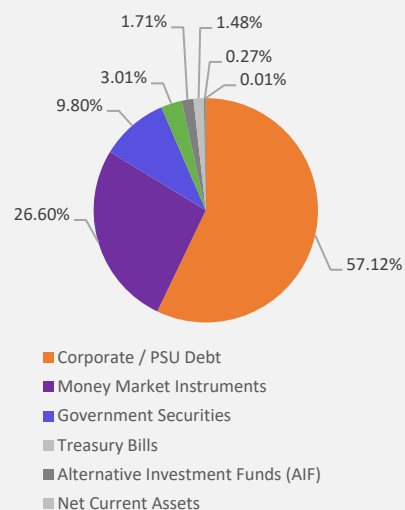
Source – HSBC Mutual Fund, Data as of 31 May 2026. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

## Portfolio

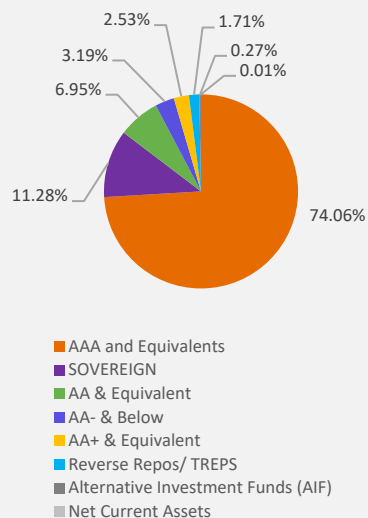
Issuer	Rating	% to Net Assets
<b>Corporate Bonds / Debentures</b>		<b>57.12%</b>
LIC Housing Finance Limited	CRISIL AAA	9.12%
NABARD	ICRA AAA	8.63%
Power Finance Corporation Limited	CRISIL AAA	7.85%
REC Limited	CRISIL AAA / ICRA AAA	8.05%
SIDBI	CRISIL AAA	5.11%
Vedanta Limited	CRISIL AA	2.70%
360 ONE Prime Limited	ICRA AA	2.68%
Sundaram Home Finance Ltd	ICRA AAA	2.61%
MAS Financial Services Limited	CARE AA-	1.61%
Indostar Capital Finance Limited	CARE AA-	1.57%
Piramal Finance Ltd	ICRA AA+	1.54%
MindSPACE Business Parks REIT	CRISIL AAA	1.50%
Aditya Birla Real Estate Limited	CRISIL AA	1.05%
Hinduja Leyland Finance Ltd.	CRISIL AA+	0.99%
Embassy Office Parks REIT	CRISIL AAA	0.59%
Motilal Oswal Finvest Ltd.	CRISIL AA	0.52%
EXIM Bank	CRISIL AAA	0.50%
Indgrid Infrastructure Trust	ICRA AAA	0.50%
<b>Money Market Instruments</b>		
<b>Certificate of Deposit</b>		<b>21.73%</b>
AU Small Finance Bank Limited	IND A1+	4.74%
Union Bank of India	ICRA A1+	3.77%
SIDBI	CARE A1+ / CRISIL A1+	3.31%
Punjab National Bank	CRISIL A1+	2.37%
HDFC Bank Limited	CRISIL A1+	2.34%
Bank of Baroda	CARE A1+	2.33%
Axis Bank Limited	CRISIL A1+	1.46%
IndusInd Bank Limited	CRISIL A1+	1.41%
<b>Commercial Paper</b>		<b>4.87%</b>
IIFL Finance Limited	CRISIL A1+	2.46%
Bharti Telecom Limited	CRISIL A1+	2.41%
<b>Securitised Debt Amort</b>		<b>3.01%</b>
Liquid Gold Series 18	CRISIL AAA(SO)	2.00%
Liquid Gold Series 14 (PTC of pools from IIFL Finance Ltd)	CRISIL AAA(SO)	1.01%
<b>Government Securities</b>		<b>9.80%</b>
GOI Floating Rate FRB 22-Sep-2033	SOVEREIGN	4.16%
7.38% GOI MAT 20-Jun-2027	SOVEREIGN	3.62%
8.05% Tamilnadu SDL - 18-Apr-2028	SOVEREIGN	2.02%
<b>Treasury Bills</b>		<b>1.48%</b>
364 Days Treasury Bill 04-Jun-2026	SOVEREIGN	1.48%
<b>Alternative Investment Funds (AIF)</b>		<b>0.27%</b>
Corp Debt Mkt Devlop Fund (SBI AIF Fund)	AIF	0.27%
<b>Cash Equivalent</b>		<b>1.72%</b>
<b>TREPS*</b>		<b>1.71%</b>
<b>Net Current Assets</b>		<b>0.01%</b>
<b>Total Net Assets as on 31-May-2026</b>		<b>100.00%</b>

\*Portfolio has 2.478499% exposure to Interest Rate Swaps

## Asset Allocation



## Rating Portfolio



## Investment Objective

The investment objective is to provide liquidity and reasonable returns by investing primarily in a mix of short term debt and money market instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Fund Manager - Shriram Ramanathan Effective 26 Nov 2022. Total Schemes Managed - 9

Fund Manager - Mohd Asif Rizwi Effective 16 Jan 2024. Total Schemes Managed - 15

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 Low Duration Fund - Regular Plan~	10019	10.56	10008	2.04	10018	2.33	10112	4.55	10231	4.68	10542	5.43	12365	7.34	13489	6.17	18460	6.32	29397	7.21	04-Dec-10
Scheme Benchmark (NIFTY Low Duration Debt Index A-I)	10012	6.29	10003	0.78	10017	2.11	10115	4.70	10247	5.02	10568	5.69	12238	6.97	13409	6.05	18745	6.49	30174	7.39	
Additional Benchmark (CRISIL 1 Year T Bill Index)	10003	1.77	10000	-0.13	10011	1.34	10066	2.66	10165	3.34	10396	3.97	12023	6.34	13129	5.60	17896	5.99	26444	6.48	
HSBC Low Duration Fund - Direct Plan~	10020	11.07	10010	2.54	10022	2.83	10113	4.62	10245	4.97	10584	5.86	12529	7.81	13826	6.70	19693	7.01	26343	7.49	01-Jan-13
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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 May 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

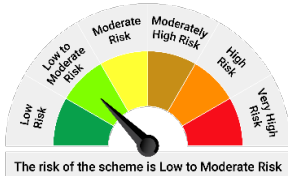
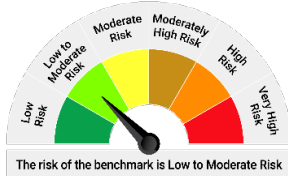
~ Face value Rs 10

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

Source: HSBC Mutual Fund, data as on 31 May 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)
<p><b>HSBC Low Duration Fund</b></p> <p>(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. (Please refer page 11 of the SID for explanation on Macaulay Duration). A relatively low interest rate risk and moderate credit risk.)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>Liquidity over short term</li> <li>Investment in Debt / Money Market Instruments such that the Macaulay<sup>^</sup> duration of the portfolio is between 6 months to 12 months.</li> </ul>	 <p>The risk of the scheme is Low to Moderate Risk</p>	<p>As per AMFI Tier 1. Benchmark Index: <b>NIFTY Low Duration Debt Index A-I</b></p>  <p>The risk of the benchmark is Low to Moderate Risk</p>

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

<sup>^</sup> 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 May 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 Low Duration Fund)

Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	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 May 2026

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