

# A fund with a range of shots.



## HSBC Multi Asset Allocation Fund

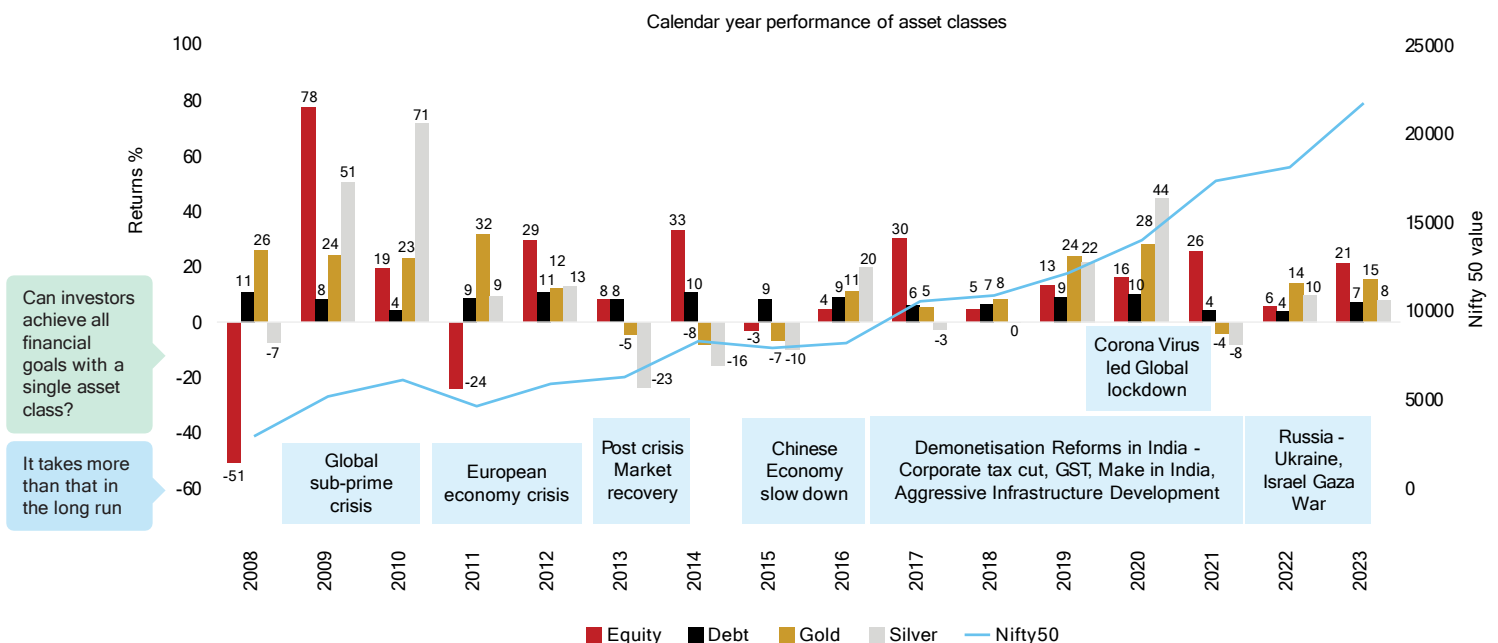
(An open ended scheme investing in Equity & Equity Related instruments, Debt & Money Market Securities and Gold / Silver ETFs)

## To face all market deliveries.

April 2024

A seasoned player has an arsenal of shots ready to be used as per pitch conditions and delivery. Similarly, every portfolio needs different asset classes that can combine to provide return potential while adjusting risk. Choose a fund that invests in equity for growth potential while debt and Gold / Silver can help to balance risks in volatile market conditions.

## History of asset classes through some major events



- ◆ Equity markets have delivered strong performance during positive market situations but also corrected sharply during major events such as Sub-prime, Chinese slowdown and Corona virus led global lockdown
- ◆ During such events, asset classes such as Gold or Debt or Silver may compensate for negative equity performance

### Best asset class may change often

Equity represented by NIFTY 50 TRI, Debt by NIFTY Short Duration Debt Index, and Price of Gold (per 10 gram), Prices of Silver, Nifty50 value.  
Source: MFI Explorer, ICRA, Data as on 31 December 2023, Absolute Returns for the period of 1 Jan to 31 Dec for respective Calendar Years.  
Past performance may or may not be sustained in the future and is not indicative of future results.

# Multi Asset Allocation strategy offers diversification, reduces volatility

Equity represented by Nifty 50 TRI, Debt by CRISIL Composite Bond Fund Index, Gold by MCX/ spot gold prices (PM) (per 10 gram), Silver by MCX / spot silver prices (PM), Multi Asset Strategy = Equity (65%) + Debt (20%) + Gold (10%) + Silver (5%), Daily rolling performance with 1, 3 and 5-year rolling frequency / volatility, Volatility= Annualised Standard Deviation of daily weighted return,

Source: NSE, CRISIL, Data as on 31 December 2023. Performance results may have inherent limitations, and no representation is being made that any investor will or is likely to achieve.

Data period 1 Jan 2007 to 31 Dec 2023.

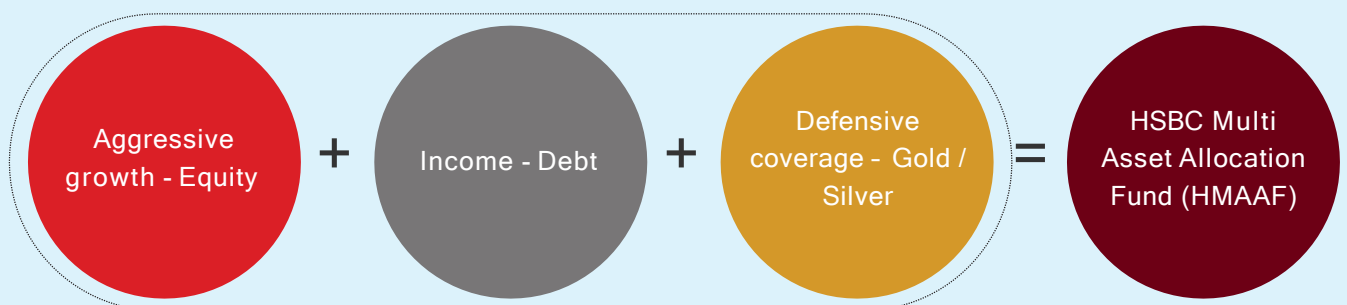
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Rolling Returns	Parameters	Multi Asset Strategy	Nifty 50 TRI	Debt (100%)	Gold (100%)	Silver (100%)
1 Year	Average ▶	11.9%	13.0%	7.6%	13.2%	11.9%
	Minimum ▶	-38.0%	-55.4%	-0.5%	-17.3%	-29.9%
	Maximum ▶	73.4%	100.2%	15.8%	55.1%	159.7%
	Volatility ▶	14.8%	22.9%	3.7%	15.1%	28.9%
3 Years	Average ▶	11.7%	12.1%	7.8%	11.5%	9.6%
	Minimum ▶	-0.1%	-4.5%	4.1%	-8.0%	-17.3%
	Maximum ▶	27.5%	32.4%	12.9%	35.4%	52.4%
	Volatility ▶	3.9%	6.1%	1.8%	9.3%	15.7%
5 Years	Average ▶	11.0%	11.4%	8.0%	10.3%	6.8%
	Minimum ▶	2.3%	-1.0%	5.5%	-2.0%	-11.6%
	Maximum ▶	19.4%	21.8%	10.4%	28.5%	28.0%
	Volatility ▶	2.5%	4.2%	1.1%	7.5%	9.9%

Multi Asset Allocation scenarios show reasonable risk adjusted performance

## Allrounder that grows through Ups and Downs

### Introducing - HSBC Multi Asset Allocation Fund



While equity investments can be risky in the short term, they can drive long-term wealth creation.

Some debt instruments have potential to lower volatility and generate steady income.

Gold / Silver can help compensate volatility when situation arises and support growth over a long term.

In case of extreme events, Arbitrage can also help reduce volatility.

With an efficient asset allocation HMAAF aims to spread the risk, optimise performance and reduce risk to deliver risk adjusted growth in long run.

Multi Asset Allocation scenarios show reasonable risk adjusted performance

Source - HSBC Mutual Fund, For illustration purpose only.

# Investment Strategy - HSBC Multi Asset Allocation Fund

## Equity - 65% (minimum) to 80% allocation

- Actively managed portfolio of companies across market caps
- Typical equity allocation may range between 65% to 80%
- Asset re-allocation could be undertaken basis changes in a market / asset class outlook of the Fund House
- Approach: Blended -  
  
Top down + Bottom up
- Style: Blended :  
Growth and Value

## Debt - 10% (minimum) to 25%

- Typical Debt allocation is likely to be around 10% to 25%
- Aims to invest in high quality assets including GOI securities, Corporate bonds, Money market instruments to generate alpha with active duration management
- Aims to build a liquid portfolio to enable positioning changes based on evolving scenario
- Focus on the short to medium end of the curve

## Gold / Silver ETFs - 10% (minimum) to 25%

- Gold/Silver allocation is expected to be around 10% to 25%
- Aim to compensate volatility when situation arises and support growth over a long term through Gold / Silver
- Focus on the short to medium end of the curve

## Arbitrage

- In certain market situations or if market outlook is negative, Equity portion can be used for arbitrage with an aim to lower a downside impact
- In case of extreme events Arbitrage can help reduce volatility and improve overall performance

The fund aims to capitalise on an optimum Multi Asset Allocation investment strategy

Source - HSBC Mutual Fund,

Note : Please refer to Scheme Information Document(SID) for more detail on Asset Allocation of the scheme

## Why HSBC Multi Asset Allocation Fund?

- ◆ With an efficient asset allocation HSBC Multi Asset Allocation Fund aims to spread the risk across three major asset classes i.e. Equity, Debt and Gold/Silver risk to deliver fair risk adjusted growth in long run.
- ◆ HMAAF's typical equity allocation may range between 65% to 80%.
- ◆ The fund aims to follow blended i.e. Top-down + Bottom-up approach and blended Growth and Value style investing.
- ◆ Fund will take flexicap approach and invest across market caps based on prevailing valuation comfort
- ◆ General Debt allocation of the fund is likely to be around 10% to 25%.
- ◆ Aims to invest in high quality assets including GOI securities, Corporate bonds, Money market instruments to generate alpha with active duration management.
- ◆ The fund also aims to allocate around 10% to 25% to Gold/Silver ETF to compensate for volatility and support long term growth.
- ◆ In case of extreme events the fund may explore Arbitrage opportunities to help reduce volatility and improve overall performance.
- ◆ Asset re-allocation could be undertaken basis changes in a market / asset class outlook of the Fund House.

HMAAF is a fund with a range of shots which aims to face all market deliveries

Source - Bloomberg, Data as on 31 December 2023

Fund Category	Fund Manager	Benchmark <sup>1</sup>	Inception Date	AUM <sup>&amp;</sup>
Multi Asset Allocation	Cheenu Gupta, Mahesh Chhabria, Dipan Parikh & Sonal Gupta <sup>#</sup>	S&P BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) + Domestic Price of Gold (10%) + Domestic Price of Silver (5%)	28-Feb-24	Rs. 1419.77 Cr

Portfolio	% to net assets	Sector - Allocation	% to net assets
Zomato Limited	3.47%	Reverse Repos/TREPS	15.81%
Larsen & Toubro Limited	2.65%	Exchange Traded Funds	10.64%
Sobha Limited	2.44%	Construction	7.24%
Zensar Technologies Limited	1.92%	Electrical Equipment	7.10%
The Karnataka Bank Limited	1.88%	Banks	6.65%
ICICI Bank Limited	1.85%	IT - Software	6.05%
NTPC Limited	1.81%	Government Securities	5.43%
Sonata Software Limited	1.78%	Retailing	4.80%
Kalpataru Projects International Limited	1.70%	Realty	4.52%
Suzlon Energy Limited	1.60%	Aerospace & Defense	2.74%

Entry Load\*: Not Applicable, Exit Load: If units redeemed or switched out are upto 10% of the units purchased or switched in 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.

Month End Total Expenses Ratios (Annualized)<sup>2</sup> – Regular<sup>3</sup>: 2.02%, Direct: 0.62%

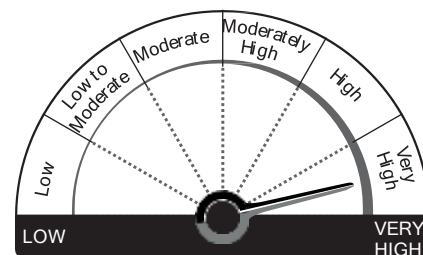
**HSBC Multi Asset Allocation Fund**  
(An open ended scheme investing in Equity & Equity Related instruments, Debt & Money Market Securities and Gold / Silver ETFs)

This product is suitable for investors who are seeking\*:

- Long term wealth creation
- Investment in equity and equity related securities, fixed income instruments and Gold / Silver ETFs

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

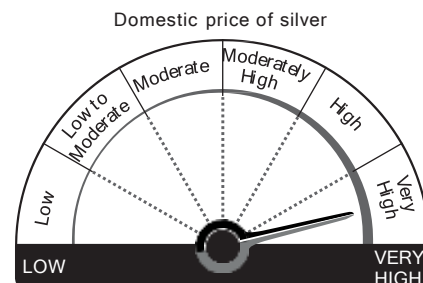
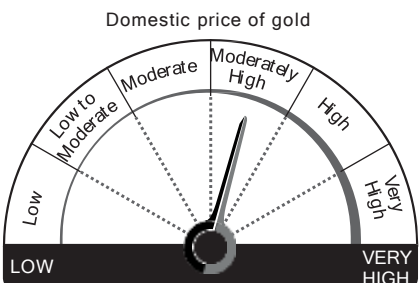
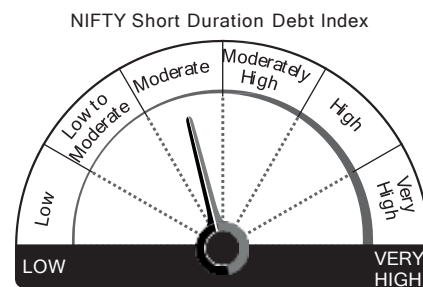
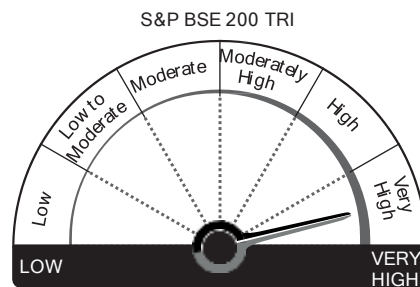
\*Riskometer of the Scheme



Investors understand that their principal will be at Very High risk

Riskometer of the Benchmarks

S&P BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) + Domestic Price of Gold (10%) + Domestic Price of Silver (5%)



Product labelling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Refer to the Scheme Information Document (SID) of HSBC Multi Asset Allocation Fund for more details.

Past performance may or may not be sustained in the future and is not indicative of future results. Source: HSBC Mutual Fund, data as on 31 March, 2024

Views are personal and based on information available in the public domain at present. Investors should not consider the same as investment advice. Please consult your financial advisor for all your investment decision.

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