

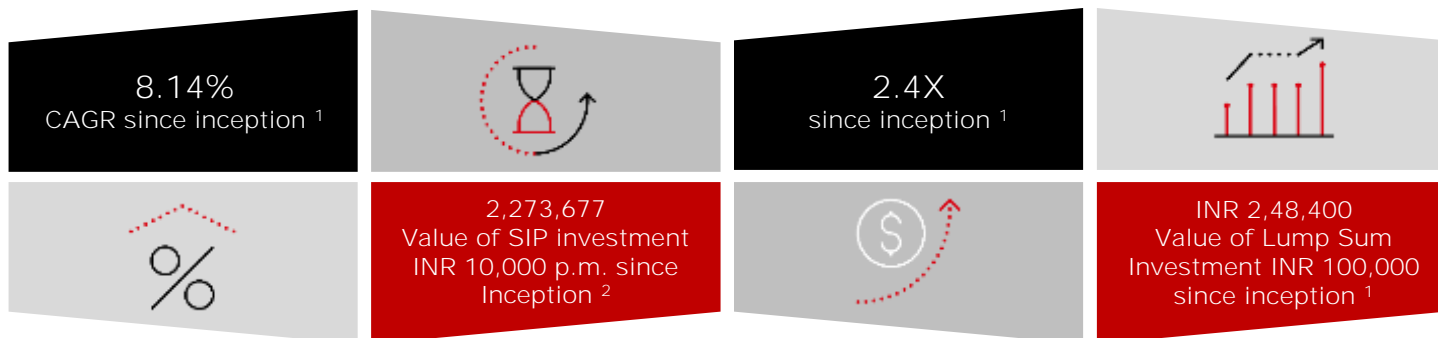
## Product Note

### HSBC Equity Savings Fund (HESF) (Formerly known as L&T Equity Savings Fund)

Equity Savings Fund - An open ended scheme investing in equity, arbitrage and debt

June 2023

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Equity Savings	Cheenu Gupta and Ritesh Jain	NIFTY Equity Savings Index	18 Oct 2011	Rs. 140.73 Cr



Portfolio	% of net assets
United Spirits Limited	7.10%
Pidilite Industries Limited	3.87%
Bajaj Finance Limited	3.66%
Ambuja Cements Limited	3.57%
The Indian Hotels Company Limited	3.37%
Sonata Software Limited	2.51%
National Aluminium Company Limited	2.46%
ICICI Bank Limited	2.43%
Larsen & Toubro Limited	1.85%
Cholamandalam Investment and Finance Co Limited	1.84%

Sector - Allocation	% of net assets
Government Securities	21.04%
Banks	12.88%
Beverages	7.10%
Finance	6.51%
IT - Software	6.25%
Cement & Cement Products	5.57%
Leisure Services	4.13%
Chemicals & Petrochemicals	3.87%
Electrical Equipment	3.79%
Consumer Durables	2.65%

Peace of mind comes with balance. Investors often strive to strike a balance between the risk associated with their investments and proportionate returns. It is a known fact that equities, over a longer period of time, prove to be unwavering wealth creators. However, despite long-term growth opportunities, investors take caution while investing in equities, due to the intermittent risk. A solution to this could be a portfolio mix of equities, debt and arbitrage opportunities that could help achieve the desired risk-return profile, along with tax efficiency.

<sup>1</sup> As on 31 May 2023 of Growth option. During the same period, scheme benchmark (Nifty Equity Savings Index) has moved by 2.8X to Rs. 2,87,310 from Rs.100,000 and delivered return of 9.50%. Please refer page no. 3 for detailed performance of HSBC Equity Savings Fund.

<sup>2</sup> During the same period, value of scheme benchmark (Nifty Equity Savings Index) has moved 2,410,923

Data as on 31 May, 2023 unless otherwise given

## Fund Strategy

- The fund aims to generate income and capital appreciation, through a combination of equity, equity arbitrage strategies, debt and money market instruments
- The fund is subject low volatility as the exposure to Fixed Income securities and equity arbitrage reduces fund volatility inherent to directional equity exposure
- The fund is suitable for risk averse investors who fear market volatility but still want exposure to equities in their portfolio can opt for the scheme of this category. The arbitrage components in the portfolio of these schemes try to protect the downside risk
- The scheme is tax efficient as more than 65% of the scheme's portfolio is deployed in equity, the scheme enjoys equity taxation

## Why HSBC Equity Savings Fund?

- Investment predominantly in arbitrage opportunities in the cash and derivatives segments of the equity markets; and debt and money market instruments
- Ensure reasonable liquidity and better risk adjusted performance to suit the investor's requirements
- Maintains optimum allocation across arbitrage instruments
- Aims to generate of reasonable returns over short to medium term

## Investment Objective

The investment objective of the Scheme is to generate regular income by predominantly investing in arbitrage opportunities in the cash and derivatives segments of the equity markets and debt and money market instruments and to generate long-term capital appreciation through unhedged exposure to equity and equity related instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Load / Expenses	
Entry Load	NA
Exit Load - NIL (after 1 year), 1% (before 1 year) <sup>3</sup>	
Expense ratio (Other than Direct) <sup>4</sup>	1.50%
Expense ratio (Direct)	0.60%

<sup>3</sup> 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

<sup>4</sup> Continuing plans

HSBC Equity Savings Fund (HESF) | Product Note  
[ June 2023 ]

Fund Managers – Cheenu Gupta (No of Schemes Managed – 7) - Managing Fund Since 02 July 2021 and Ritesh Jain (No of Schemes Managed – 5) - 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 %	18-Oct-11
HSBC Equity Savings Fund-Reg	10931	9.31	15526	15.76	14343	7.48	24840	8.14	
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	

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 %	26-Mar-19
HSBC Large and Mid Cap Fund-Reg	11750	17.50	19478	24.83	NA	NA	16564	12.84	
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 ELSS Fund-Reg	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 Mid Cap Fund-Reg <sup>5</sup>	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	
HSBC Tax Saver Equity Fund-Reg	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 Conservative Hybrid Fund - Reg	10848	8.48	12747	8.41	13938	6.86	46957	8.35	24-Feb-04
Scheme Benchmark (NIFTY 50 Hybrid Composite Debt 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 Aggressive Hybrid Fund-Reg	11196	11.96	16647	18.48	14752	8.08	38930	11.67	07-Feb-11
Scheme Benchmark (NIFTY 50 Hybrid Composite Debt 65:35 Index)	11166	11.66	16759	18.74	17407	11.72	35894	10.93	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	39943	11.90	
HSBC Balanced Advantage Fund-Reg	10859	8.59	13483	10.46	13954	6.89	32785	10.12	07-Feb-11
Scheme Benchmark (Nifty 50 Hybrid composite debt 50:50 Index)	11104	11.04	15486	15.66	16874	11.02	33786	10.39	
Additional Benchmark (S&P BSE Sensex TRI)	11405	14.05	20037	26.02	18827	13.48	41058	12.15	
HSBC Arbitrage Fund-Reg	10532	5.32	11237	3.96	12730	4.94	16435	5.73	30-Jun-14
Scheme Benchmark (Nifty 50 Arbitrage Index)	10554	5.54	11261	4.03	12541	4.63	15881	5.32	
Additional Benchmark (Nifty 50 TRI)	11294	12.94	20037	26.02	18344	12.89	27149	11.84	

Fund / Benchmark (Value of Rs10,000 invested)	6 Months		Since Inception		31-Mar-22
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC CRISIL IBX 50-50 Gilt Plus Apr 2028 Index Fund	10818	8.18	10623	5.31	31-Mar-22
Scheme Benchmark (CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028)	10887	8.87	10643	5.49	
Additional Benchmark (CRISIL 10 year Gilt Index)	11004	10.04	10681	5.81	

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 Equity Savings Fund	Cheenu Gupta (Equity) - Since Jul 02, 2021 Ritesh Jain (Fixed Income) - Since Nov 26, 2022	Cheenu Gupta-7 Ritesh Jain-5
HSBC Large & Mid Cap Fund	Cheenu Gupta- Since Nov 26, 2022 Neelotpal Sahai- Since Mar 28, 2019	Cheenu Gupta-7 Neelotpal Sahai-4
HSBC ELSS Fund	Cheenu Gupta- Since Jul 02, 2021 Gautam Bhupal- Since Nov 26, 2022	Cheenu Gupta-7 Gautam Bhupal-6
HSBC Midcap Fund	Vihang Shankar Naik- Since June 28 2016 Cheenu Gupta- Since Nov 26 2022	Vihang Shankar Naik-4 Cheenu Gupta-7
HSBC Tax Saver Fund	Gautam Bhupal- Since July 23, 2019 Cheenu Gupta- Since Nov 26, 2022	Gautam Bhupal-6 Cheenu Gupta-7
HSBC Conservative Hybrid Fund	Ritesh Jain (Fixed Income) Since Nov 26, 2022 Cheenu Gupta (Equity) Since Nov 26, 2022	Ritesh Jain-5 Cheenu Gupta-7
HSBC Aggressive Hybrid Fund	Cheenu Gupta (Equity)- Since July 02, 2021 Shriram Ramanathan (Fixed Income)- Since May 30, 2016	Cheenu Gupta-7 Shriram Ramanathan-11
HSBC Balanced Advantage Fund	Neelotpal Sahai (Equity)- Since Nov 26, 2022 Ritesh Jain (Fixed Income) - Since Nov 26, 2022	Neelotpal Sahai-4 Ritesh Jain-5
HSBC Arbitrage Fund	Praveen Ayathan (Equity) - Since Jun 30, 2014 Ritesh Jain (Fixed Income) - Since Nov 26, 2022	Praveen Ayathan-3 Ritesh Jain-5
HSBC CRISIL IBX 50-50 Gilt Plus Apr 2028 Index Fund	Ritesh Jain Since Nov 26, 2022 Kapil Lal Punjabi Since Mar 31, 2022	Ritesh Jain-5 Kapil Lal Punjabi-6

<sup>5</sup> 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.

SIP Performance - HSBC Equity Savings Fund - Regular					Inception Date: 18-Oct-11
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	1390000	
Market Value as on May 31, 2022 (₹)	127,698	419,030	764,159	2,273,677	
Scheme Returns (%)	12.17	10.13	9.62	8.17	
NIFTY Equity Savings Index - Scheme Benchmark (₹)	125,784	408,750	753,161	2,410,923	
NIFTY Equity Savings Index - Scheme Benchmark Returns (%)	9.10	8.44	9.04	9.11	
CRISIL 10 Year Gilt Index - Additional Benchmark (₹)	127,225	385,199	685,848	2,024,324	
CRISIL 10 Year Gilt Index - Additional Benchmark Returns (%)	11.41	4.45	5.30	6.28	

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 April 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](http://www.assetmanagement.hsbc.co.in).

## Product Label

### HSBC Equity Savings Fund (Erstwhile L&T Equity Savings Fund)



Investors understand that their principal will be at Moderately High risk

**Equity Savings Fund** – An open ended scheme investing in equity, arbitrage and debt.

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

- Investment in fixed income (debt and money market instruments) as well as equity and equity related securities
- Capital appreciation over medium to long term

**Benchmark Index: NIFTY Equity Savings Index**



### Scheme name and Type of scheme

### \*Riskometer of the Scheme

### Riskometer of the benchmark

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

**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.

- 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)

**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**

- Long term capital growth
- Investment predominantly in equity and equity-related securities. (Benchmark : NIFTY 500 TRI Index)

**HSBC Midcap Fund (Erstwhile L&T Midcap Fund) - Midcap Fund** – An open ended equity scheme predominantly investing in mid cap stocks.

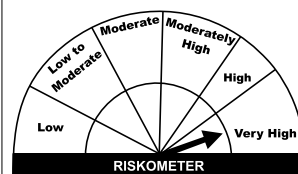
- Long term wealth creation
- Investment in equity and equity related securities of mid cap companies. (Benchmark : NIFTY Midcap 150 TRI)

**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**

- Long term capital growth
- Investment predominantly in equity and equity-related securities. (Benchmark : NIFTY 500 TRI Index)



Investors understand that their principal will be at Very High risk



### HSBC Conservative Hybrid Fund (Erstwhile HSBC Regular Savings Fund)



Investors understand that their principal will be at Moderately High risk

**Conservative Hybrid Fund**– An open ended hybrid scheme investing predominantly in debt instruments.

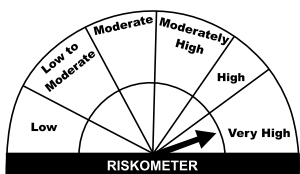
**This product is suitable for investors who are seeking\*:**

- Investment in fixed income (debt and money market instruments) as well as equity and equity related securities
- Capital appreciation over medium to long term

**Benchmark Index: NIFTY 50 Hybrid Composite Debt 15:85 Index**



### HSBC Aggressive Hybrid Fund (Erstwhile L&T Hybrid Equity Fund)



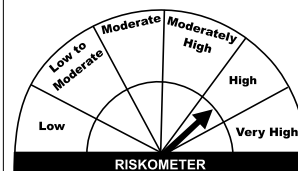
Investors understand that their principal will be at Very High risk






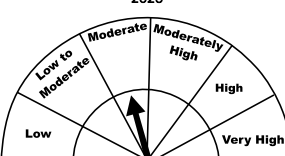
**Aggressive Hybrid Fund** - An open ended hybrid scheme investing predominantly in equity and equity related instruments.

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

- Long term wealth creation and income
- Investment in equity and equity related securities and fixed income instruments

**Benchmark Index: Nifty 50 Hybrid composite debt 65:35 Index**



HSBC Balanced Advantage Fund (Erstwhile L&T Balanced Advantage Fund)		
 <p>Investors understand that their principal will be at Very High risk</p>	<p><b>HSBC Balanced Advantage Fund</b> – An open ended dynamic asset allocation fund.</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term capital appreciation and generation of reasonable returns</li> <li>• Investment in equity and equity related instruments, derivatives and debt and money market instruments</li> </ul>	<p>Benchmark Index: NIFTY 50 Composite Hybrid Debt 50:50 Index</p> 
HSBC Arbitrage Fund (Erstwhile L&T Arbitrage Opportunities Fund)		
 <p>Investors understand that their principal will be at Low risk</p>	<p><b>Arbitrage Fund</b> – An open ended scheme investing in arbitrage opportunities.</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Generation of reasonable returns over short to medium term</li> <li>• Investment predominantly in arbitrage opportunities in the cash and derivatives segments of the equity markets; and debt and money market instrument.</li> </ul>	<p>Benchmark Index: Nifty 50 Arbitrage Index</p> 
HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund		
 <p>Investors understand that their principal will be at Moderate risk</p>	<p>Index Fund - An open-ended Target Maturity Index Fund tracking CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028. Relatively High interest rate risk and Low credit risk.</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Income over target maturity period</li> <li>• Investment in constituents similar to the composition of CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028</li> </ul>	<p>Benchmark Index: CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028</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.