

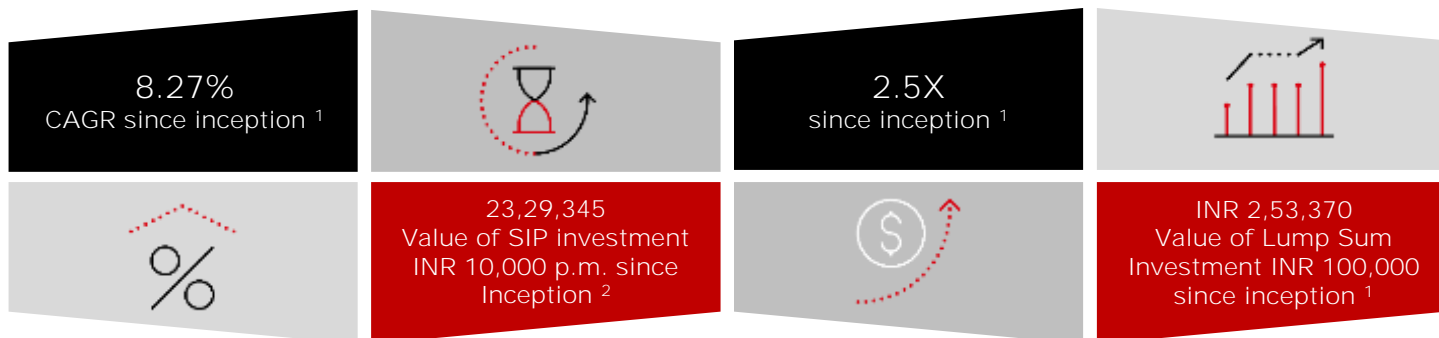
## Product Note

### 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

July 2023

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Equity Savings	Cheenu Gupta and Ritesh Jain	NIFTY Equity Savings Index	18 Oct 2011	Rs. 149.88 Cr



Portfolio	% of net assets
United Spirits Limited	6.94%
Pidilite Industries Limited	3.68%
Bajaj Finance Limited	3.58%
Ambuja Cements Limited	3.43%
The Indian Hotels Company Limited	2.72%
Sonata Software Limited	2.49%
National Aluminium Company Limited	2.30%
Larsen & Toubro Limited	1.98%
Cholamandalam Investment & Finance Company Limited	1.90%
Blue Star Limited	1.84%

Sector - Allocation	% of net assets
Government Securities	19.76%
Banks	10.17%
Beverages	6.94%
Finance	6.94%
IT - Software	5.75%
Reverse Repos/TREPS	5.67%
Cement & Cement Products	5.11%
Electrical Equipment	4.30%
Consumer Durables	3.80%
Chemicals & Petrochemicals	3.68%

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 30 June 2023 of Growth option. During the same period, scheme benchmark (Nifty Equity Savings Index) has moved by 2.9X to Rs. 2,92,170 from Rs.100,000 and delivered return of 9.59%. 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 2,461,874

Data as on 30 June, 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 month), 1% (before 1 month) <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 month from the date of allotment - Nil

• If redeemed or switched out units are over and above the limit i.e beyond 10% of the allotted units within 1 month exit load applicable - 0.50%

• If units are redeemed or switched out on or after 1 Month from the date of Purchase - Nil

<sup>4</sup> Continuing plans

HSBC Equity Savings Fund (HESF) | Product Note  
[ July 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	11304	13.04	15172	14.91	14731	8.05	25337	8.27	
Scheme Benchmark (NIFTY Equity Savings Index)	11214	12.14	13906	11.62	15449	9.08	29217	9.59	
Additional Benchmark (CRISIL 10 year Gilt Index)	10928	9.28	10959	3.10	13872	6.76	21562	6.78	

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	12970	29.70	19298	24.50	NA	NA	17263	13.67	
Scheme Benchmark (NIFTY Large Midcap 250 TRI)	12772	27.72	21528	29.12	NA	NA	19309	16.70	
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	NA	NA	17460	13.98	
HSBC ELSS Fund-Reg	12862	28.62	18691	23.18	16262	10.20	88570	13.40	27-Feb-06
Scheme Benchmark (Nifty 500 TRI)	12390	23.90	20030	26.06	18963	13.64	75816	12.39	
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	19018	13.70	77281	12.51	
HSBC Mid Cap Fund-Reg <sup>5</sup>	12338	23.38	19046	23.96	16746	10.85	226738	17.95	09-Aug-04
Scheme Benchmark (NIFTY Midcap 150 TRI)	13440	34.40	24428	34.68	21838	16.89	NA	NA	
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	19018	13.70	148422	15.34	
HSBC Tax Saver Equity Fund-Reg	12057	20.57	18666	23.13	16832	10.96	60082	11.49	05-Jan-07
Scheme Benchmark (Nifty 500 TRI)	12390	23.90	20030	26.06	18963	13.64	59809	11.45	
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	19018	13.70	58715	11.33	
HSBC Conservative Hybrid Fund - Reg	11081	10.81	12571	7.92	14205	7.26	47493	8.38	24-Feb-04
Scheme Benchmark (NIFTY 50 Hybrid Composite Debt 15:85 Index)	11058	10.58	12590	7.98	15446	9.07	47389	8.37	
Additional Benchmark (CRISIL 10 year Gilt Index)	10928	9.28	10959	3.10	13872	6.76	28578	5.57	
HSBC Aggressive Hybrid Fund-Reg	12212	22.12	16328	17.75	15626	9.33	40388	11.92	07-Feb-11
Scheme Benchmark (NIFTY 50 Hybrid Composite Debt 65:35 Index)	11784	17.84	16283	17.65	17807	12.22	36756	11.07	
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	19018	13.70	41422	12.14	
HSBC Balanced Advantage Fund-Reg	11260	12.60	13214	9.74	14294	7.40	33361	10.20	07-Feb-11
Scheme Benchmark (Nifty 50 Hybrid composite debt 50:50 Index)	11566	15.66	15099	14.72	17162	11.39	34409	10.48	
Additional Benchmark (S&P BSE Sensex TRI)	12367	23.67	19263	24.43	19404	14.16	42530	12.38	
HSBC Arbitrage Fund-Reg	10559	5.59	11315	4.20	12723	4.93	16529	5.74	30-Jun-14
Scheme Benchmark (Nifty 50 Arbitrage Index)	10610	6.10	11379	4.40	12616	4.75	15995	5.35	
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	19018	13.70	28155	12.18	

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	10784	7.84	10635	5.05	31-Mar-22
Scheme Benchmark (CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028)	10857	8.57	10662	5.27	
Additional Benchmark (CRISIL 10 year Gilt Index)	10928	9.28	10655	5.21	

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 30 June 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	1400000	
Market Value as on June 30, 2022 (₹)	129,258	421,885	774,959	2,329,345	
Scheme Returns (%)	14.72	10.61	10.19	8.38	
NIFTY Equity Savings Index - Scheme Benchmark (₹)	127,023	411,630	760,558	2,461,874	
NIFTY Equity Savings Index - Scheme Benchmark Returns (%)	11.11	8.92	9.43	9.26	
CRISIL 10 Year Gilt Index - Additional Benchmark (₹)	125,916	383,276	680,273	2,029,459	
CRISIL 10 Year Gilt Index - Additional Benchmark Returns (%)	9.33	4.12	4.97	6.16	

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 June 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.

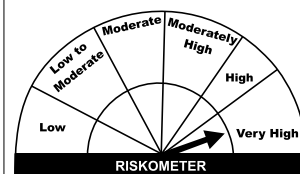
- Long term wealth creation
- Investment in equity and equity related securities of mid cap companies. (Benchmark : NIFTY Midcap 150 TRI)

**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.

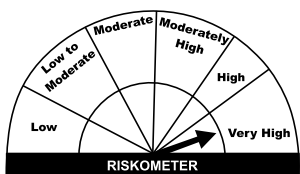
**This product is suitable for investors who are seeking\*:**

- 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

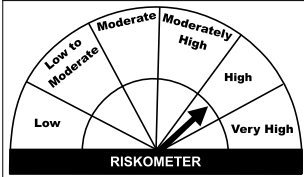
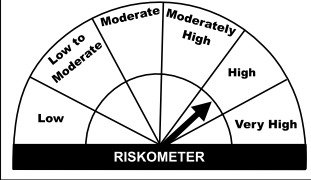

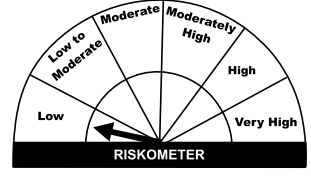
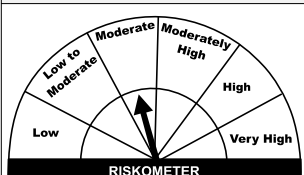

**Aggressive Hybrid Fund** - An open ended hybrid scheme investing predominantly in equity and equity related instruments.

**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 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 30 June 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 on 30 June 2023

Disclaimer: This document has been prepared by HSBC Asset Management (India) Private Limited (HSBC) for information purposes only and should not be construed as i) an offer or recommendation to buy or sell securities, commodities, currencies or other investments referred to herein; or ii) an offer to sell or a solicitation or an offer for purchase of any of the funds of HSBC Mutual Fund; or iii) an investment research or investment advice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek personal and independent advice regarding the appropriateness of investing in any of the funds, securities, other investment or investment strategies that may have been discussed or referred herein and should understand that the views regarding future prospects may or may not be realized. In no event shall HSBC Mutual Fund/HSBC Asset management (India) Private Limited and / or its affiliates or any of their directors, trustees, officers and employees be liable for any direct, indirect, special, incidental or consequential damages arising out of the use of information / opinion herein.

This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person do so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

© Copyright. HSBC Asset Management (India) Private Limited 2023, ALL RIGHTS RESERVED.  
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.