

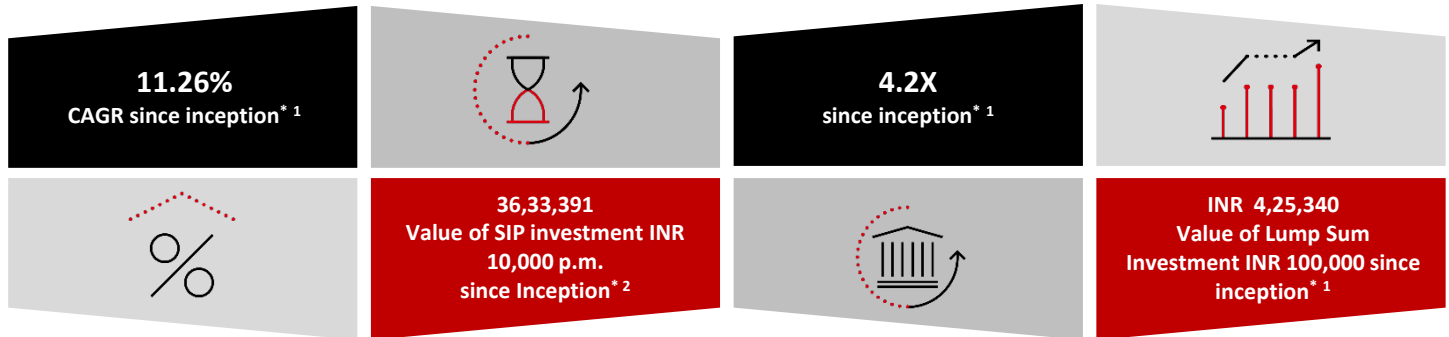
## Product Note

### HSBC Balanced Advantage Fund (HBAF)

(An open ended dynamic asset allocation fund)

September 2024

Fund Category	Fund Manager	Benchmark	Inception Date	AUM <sup>&amp;</sup>
Balanced Advantage Fund	Neelotpal Sahai, Gautam Bhupal, Praveen Ayathan, Hitesh Gondhia, Mahesh Chhabria, Kapil Punjabi and Sonal Gupta <sup>#</sup>	NIFTY 50 Hybrid Composite Debt 50:50 Index <sup>3</sup>	7 Feb 2011	Rs. 1,502.40 Cr



Portfolio	% of net assets	Industry - Allocation	% of net assets
ICICI Bank Limited	4.19%	Government Securities	12.34%
Aurobindo Pharma Limited	3.61%	Banks	9.99%
Axis Bank Limited	2.87%	Pharmaceuticals & Biotechnology	7.76%
Larsen & Toubro Limited	2.47%	Finance	5.17%
Dixon Technologies (India) Limited	2.24%	Consumer Durables	3.98%
Tata Power Company Limited	2.21%	Industrial Products	3.96%
Ambuja Cements Limited	2.07%	IT - Software	3.95%
Reliance Industries Limited	2.01%	Power	3.46%
Manappuram Finance Limited	1.98%	Construction	3.10%
Adani Ports and Special Economic Zone Limited	1.98%	Capital Markets	2.90%

**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, A switch-out or a withdrawal under SWP may also attract an Exit Load like any Redemption. No Exit load will be chargeable in case of switches made between different options of the Scheme. No Exit load will be chargeable in case of Units allotted on account of dividend reinvestments, if any<sup>\*\*</sup>. A switch-out or a withdrawal under SWP or a transfer under STP (except a switch-out or a transfer under STP into any of the Equity Schemes except HSBC Arbitrage Fund) may also attract an Exit Load/CDSC like any Redemption. No Exit Load will be chargeable in case of switches made between different options of the Scheme. No Exit Load will be chargeable in respect of redemption / switch out of redemption of Units allotted on account of dividend. In case of units switched out/systematically transferred to another option/plan within the same plan/Scheme and if subsequently redeemed, for the purpose of determining the Exit Load, the date when such units were first allotted in the respective plan/Scheme will be considered as the purchase/allotment date.

**Month End Total Expenses Ratios (Annualized)<sup>4</sup> – Regular<sup>5</sup>: 2.11%, Direct: 0.77%**

<sup>\*</sup> Since inception - 07 Feb 11

<sup>1</sup> As on 30 August 2024 of Growth option. During the same period, scheme benchmark (NIFTY 50 Hybrid Composite Debt 50:50 Index) has moved by 4.1X to Rs. 4,16,500 from Rs.100,000 and delivered return of 11.09%. Please refer page no.3 for detailed performance of HSBC Balanced Advantage Fund.

<sup>2</sup> During the same period, value of scheme benchmark (NIFTY 50 Hybrid Composite Debt 50:50 Index) has moved to 38,27,534

<sup>3</sup> As per clause 1.9 of the SEBI Master Circular dated June 27, 2024, 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.

<sup>4</sup> TER Annualized TER including GST on Investment Management Fees

<sup>5</sup> Continuing plans

<sup>&</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 30 August 2024. **Past performance may or may not be sustained in the future and is not indicative of future results.**

<sup>#</sup> Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

Note : Please refer to Scheme Information Document for more details on Asset Allocation of the scheme.

## Why HSBC Balanced Advantage Fund?

- Asset allocation between equity and debt depending on prevailing market and economic conditions
- Aims to build a portfolio of companies diversified across major industries, economic sectors and market capitalization that offer an acceptable risk reward balance
- Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook
- To grab opportunity from both asset classes of equity and fixed income for an optimal asset-allocation portfolio
- Aim to create a corpus through generating inflation-adjusted returns to cater to long-term goals

## Fund Philosophy

- The fund may help investors participate in the long term growth potential of equities but with a much lower short term volatility
- The Fund helps in systematically managing equity allocation based on valuations and keep emotions away from asset allocation decisions
- History suggests that sharp corrections in the market typically occur when equity valuations are expensive. Due to the fund's strategy of maintaining low equity allocation at higher valuation levels, it may help reduce downside significantly during such market corrections
- Potential to improve risk adjusted return for medium to long term investors; active stock picking approach for equity allocation
- The Fund provides a tax efficient and cost efficient dynamic asset allocation solution – taxation similar to equity oriented schemes

## Investment Objective

To seek long term capital growth and income through investments in equity and equity related securities and fixed income instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

## HSBC Balanced Advantage Fund (HBAF)

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Fund Manager - Neelotpal Sahai Effective 26 Nov 2022. Total Schemes Managed - 3; Gautam Bhupal Effective 01 Oct 2023. Total Schemes Managed - 13; Praveen Ayathan Effective 01 Oct 2023. Total Schemes Managed - 5; Hitesh Gondhia Effective 01 Oct 2023. Total Schemes Managed - 3; Sonal Gupta Effective 26 Nov 2022. Total Schemes Managed - 25; Mahesh Chhabria Effective 15 Jul 2023. Total Schemes Managed – 11; ; Kapil Punjabi Effective 01 September 2024. Total Schemes Managed - 17

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	Returns %	Amount in Rs	Returns %	Amount in Rs	Returns %	Amount in Rs	Returns %	
HSBC Balanced Advantage Fund – Regular Plan~~	12361	23.61	13852	11.47	17558	11.90	42534	11.26	07-Feb-11
Scheme Benchmark (Nifty 50 Hybrid composite debt 50:50 Index)	12003	20.03	13525	10.59	18906	13.57	41650	11.09	
Additional Benchmark (BSE Sensex TRI)	12863	28.63	14875	14.15	23425	18.54	54981	13.38	

**Past performance may or may not be sustained in the future and is not indicative of future results.** The performance details provided herein are 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 2024 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 5.9.1 of the SEBI Master Circular dated June 27, 2024, 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 13.4 of the SEBI Master Circular dated June 27, 2024, 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

SIP Performance HSBC Balanced Advantage Fund – Regular Plan					Inception Date: 07-Feb-11
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	1620000	
Market Value as on August 30, 2024 (₹)	1,35,513	4,61,433	8,48,600	36,33,391	
Scheme Returns (%)	24.90	16.82	13.85	11.23	
Nifty 50 Hybrid composite debt 50:50 Index - Scheme Benchmark (₹)	1,33,290	4,46,534	8,54,319	38,27,534	
Nifty 50 Hybrid composite debt 50:50 Index - Scheme Benchmark Returns (%)	21.23	14.52	14.12	11.92	
BSE Sensex TRI - Additional Benchmark (₹)	1,38,972	4,82,373	9,93,357	49,21,523	
BSE Sensex TRI - Additional Benchmark Returns (%)	30.67	19.98	20.28	15.23	


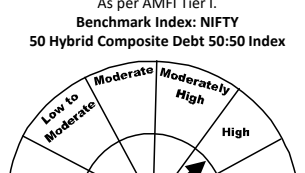
**Past performance may or may not be sustained in the future and is not indicative of future results.** For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.

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Source: HSBC Mutual Fund, data as on 30 August 2024

[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 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><b>RISKOMETER</b></p> <p>Investors understand that their principal will be at Moderately High risk</p>	<p>As per AMFI Tier I. <b>Benchmark Index: NIFTY 50 Hybrid Composite Debt 50:50 Index</b></p>  <p><b>RISKOMETER</b></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 August 2024, 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 and is not indicative of future results.** Source: HSBC Mutual Fund, data as on 30 August 2024

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