

Product Note

HSBC Liquid Fund (HLIF)

Liquid Fund - An open-ended Liquid Scheme. A relatively low interest rate risk and moderate credit risk.

November 2023

| Fund Category | Fund Manager | Benchmark ^{1, 2} | Inception Date | AUM ^{3&} |
|---------------|--|---------------------------|----------------|-----------------------|
| Liquid Fund | Kapil Lal Punjabi and Shriram Ramanathan | Nifty Liquid Index B-I | 04 Dec 2002 | Rs. 18480.41 Cr |

| Minimum Investment | | | Exit Load ⁴ | |
|--------------------|-------|---------------------|---------------------------------|---|
| Lumpsum | SIP | Additional Purchase | Investor exit upon subscription | Exit Load as a % of redemption proceeds |
| ₹ 5,000 | ₹ 500 | ₹ 1,000 | Day 1 | 0.0070% |
| | | | Day 2 | 0.0065% |
| | | | Day 3 | 0.0060% |
| | | | Day 4 | 0.0055% |
| | | | Day 5 | 0.0050% |
| | | | Day 6 | 0.0045% |
| | | | Day 7 Onwards | 0.0000% |

| Quantitative Data | |
|-------------------|------------|
| Average Maturity | 39.85 Days |
| Modified Duration | 39.85 Days |
| Macauley Duration | 39.85 Days |
| Yield to Maturity | 7.19% |

Why HSBC Liquid Fund?

- To offer optimal liquidity and risk adjusted performance to suit the investor's requirements in various situations, our fund managers follow stringent liquidity, credit risk and interest rate risk norms
- The portfolio comprises of high credit quality papers evaluated through a rigorous credit evaluation process and generally aims to restrict investments to the highest possible short-term rating.

Fund Strategy

- Investment predominantly in highly liquid money market instruments, government securities and corporate debt with residual maturity of up to 91 days
- Aims to focus on maintaining a high credit quality and highly liquid portfolio - investing only in issuers which are covered by internal credit research team
- Measured exposure to high quality Commercial Papers
- The focus continues to be on the accrual returns in the portfolio.

Entry Load*: Not Applicable, Exit Load⁴: NIL
 Month End Total Expenses Ratios (Annualized)⁵ – Regular⁶: 0.22%, Direct: 0.12%

¹ As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, 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. ² Fund's benchmark has changed with effect from April 01, 2022.

³ AUM is as on 31 October 2023, ⁴ Exit load shall be applicable for investors who exit (by way of redemption / switch-out / transfer) within 7 calendar days from the date of investment.

⁵ TER Annualized TER including GST on Investment Management Fees, ⁶ Continuing plans

&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 October 2023. Past performance may or may not be sustained in the future and is not indicative of future results.

Portfolio

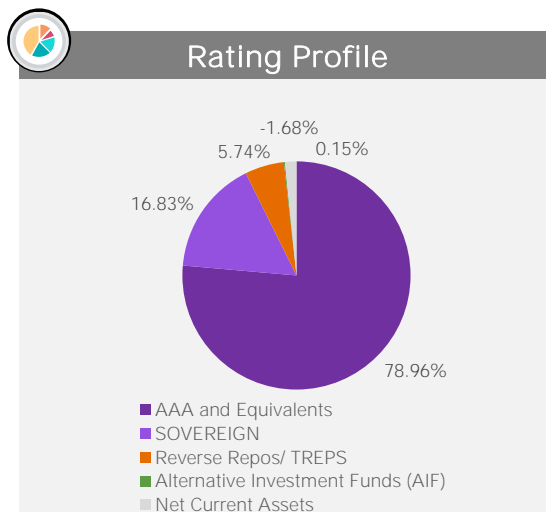
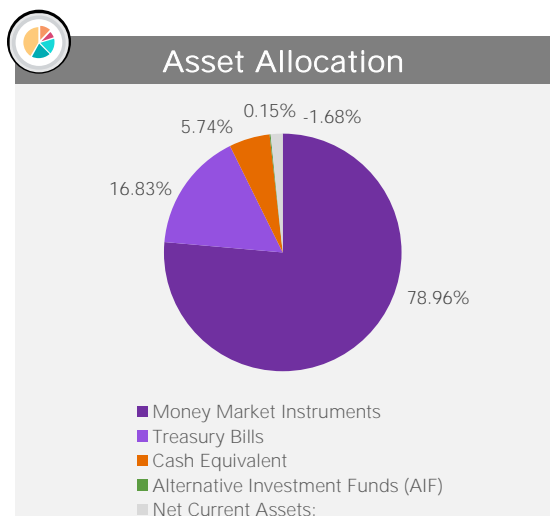
| Issuer | Rating | % to Net Assets |
|---|---------------------|-----------------|
| Money Market Instruments | | |
| Certificate of Deposit | | 23.91% |
| Canara Bank | CRISIL A1+ | 5.92% |
| Bank of Baroda | IND A1+ | 5.35% |
| HDFC Bank Limited | CARE A1+ | 4.29% |
| Axis Bank Limited | CRISIL A1+ | 3.37% |
| Punjab National Bank Limited | CARE A1+ | 1.34% |
| Federal Bank Limited | CRISIL A1+ | 1.08% |
| Bank of Maharashtra | CRISIL A1+ | 1.08% |
| Kotak Mahindra Bank Limited | CRISIL A1+ | 0.94% |
| Small Industries Development Bank of India | CRISIL A1+ | 0.54% |
| Commercial Paper | | 55.05% |
| National Bank for Agriculture & Rural Development | ICRA A1+ | 6.70% |
| Small Industries Development Bank of India | CARE A1+ | 4.29% |
| Reliance Retail Ventures Limited | CRISIL A1+ | 3.77% |
| HDFC Securities Limited | ICRA A1+ | 3.75% |
| Tata Steel Limited | ICRA A1+ | 2.70% |
| ICICI Home Finance Company Limited | ICRA A1+ | 2.69% |
| Sikka Ports & Terminals Limited (Mukesh Ambani Group) | CRISIL A1+ | 2.68% |
| Aditya Birla Housing Finance Limited | ICRA A1+ | 2.41% |
| Kotak Securities Limited | CRISIL A1+ | 2.15% |
| ICICI Securities Limited | CRISIL A1+ | 1.89% |
| Reliance Industries Limited | CRISIL A1+ | 1.62% |
| ICICI Securities Primary Dealership Limited | CRISIL A1+ | 1.62% |
| Tata Power Renewable Energy Limited | CRISIL A1+ | 1.61% |
| SBICAP Securities Limited | ICRA A1+ | 1.61% |
| Tata Power Company Limited | CRISIL A1+ | 1.61% |
| Birla Group Holdings Private Limited | ICRA A1+ | 1.34% |
| Aditya Birla Retail Limited | CRISIL A1+ | 1.08% |
| Grasim Industries Limited | ICRA A1+ | 1.07% |
| Larsen & Toubro Limited | CRISIL A1+ | 1.07% |
| Tata Capital Housing Finance Limited | ICRA A1+ | 1.07% |
| Aditya Birla Finance Limited | ICRA A1+ | 1.07% |
| Bajaj Financial Securities Limited | IND A1+ | 1.07% |
| Infina Finance Private Limited | ICRA A1+ | 0.94% |
| HDB Financial Services Limited | CRISIL A1+ | 0.81% |
| Nirma Limited | CRISIL A1+ | 0.67% |
| LIC Housing Finance Limited | CRISIL A1+ | 0.67% |
| Network 18 Media & Investments Limited | IND A1+ | 0.66% |
| Redington (India) Limited | CRISIL A1+ | 0.54% |
| TMF Holdings Limited | ICRA A1+ | 0.54% |
| Tata Motors Finance Limited | CARE A1+ / ICRA A1+ | 0.81% |
| Poonawalla Fincorp Limited | CARE A1+ | 0.54% |
| Treasury Bills | | 16.83% |
| 91 DAYS T-BILL 07DEC23 | SOVEREIGN | 4.30% |
| 91 DAYS T-BILL 18Jan24 | SOVEREIGN | 2.67% |
| 91 DAYS T-BILL 21DEC23 | SOVEREIGN | 2.38% |
| 91 DAYS T-BILL 25JAN24 | SOVEREIGN | 2.13% |
| 91 DAYS T-BILL 23Nov23 | SOVEREIGN | 1.10% |

*TREPS : Tri-Party Repo

Source: HSBC Mutual Fund, data as on 31 October 2023

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

| Issuer | Rating | % to Net Assets |
|---|-----------|-----------------|
| 364 DAYS T-BILL 26JAN24 | SOVEREIGN | 1.09% |
| 91 DAYS T-BILL - 30NOV2023 | SOVEREIGN | 1.08% |
| 91 DAYS T-BILL 29DEC23 | SOVEREIGN | 0.82% |
| 91 DAYS T-BILL - 04JAN2024 | SOVEREIGN | 0.67% |
| 91 DAYS T-BILL 17Nov23 | SOVEREIGN | 0.54% |
| 364 DAYS T-BILL 07DEC23 | SOVEREIGN | 0.05% |
| Alternative Investment Funds (AIF) | | 0.15% |
| CDMDF CLASS A2 | | 0.15% |
| Cash Equivalent | | 4.06% |
| TREPS* | | 5.74% |
| Net Current Assets: | | -1.68% |
| Total Net Assets as on 31-October-2023 | | 100.00% |



Investment Objective

To provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through a portfolio of money market and debt securities. However, there can be no assurance that the Scheme objective can be realised.

Fund Manager - Kapil Lal Punjabi Effective 14 May 2014. Total Schemes Managed - 10

Fund Manager - Shriram Ramanathan Effective 26 Nov 2022. Total Schemes Managed - 11

| Lump Sum Investment Performance | | | | | | | | | | | | | Inception Date | | |
|---|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|----------------|-----------------|---------------|
| Fund / Benchmark (Value of Rs 10,000 Invested) | 7 Days | | 15 Days | | 30 Days | | 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 % | Amount in Rs | PTP Returns % | Amount in Rs | PTP Returns % | | Amount in Rs | PTP Returns % |
| HSBC Liquid Fund - Regular Plan ⁷ | 10011 | 6.88 | 10025 | 6.64 | 10051 | 6.68 | 10693 | 6.93 | 11504 | 4.78 | 12862 | 5.16 | 23322 | 7.03 | |
| Scheme Benchmark (Nifty Liquid Index B-I) | 10011 | 6.74 | 10026 | 6.89 | 10054 | 6.98 | 10721 | 7.21 | 11579 | 5.01 | 12961 | 5.32 | 23620 | 7.14 | |
| Additional Benchmark (CRISIL 1 Year T Bill Index) | 10012 | 7.31 | 10030 | 8.06 | 10054 | 7.01 | 10701 | 7.01 | 11453 | 4.63 | 13182 | 5.68 | 22093 | 6.57 | |

PTP returns – Point to Point returns. | 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 October 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. As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023, the scheme returns vis-a-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 May 19, 2023, 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.

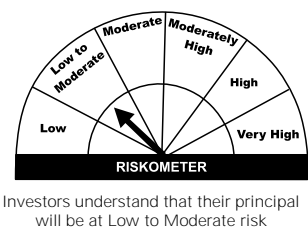
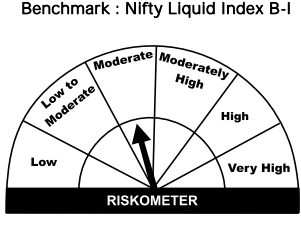
⁷HSBC Liquid Fund: Since there was no continuous NAV history available for the surviving Plan of HSBC Liquid Fund prior to May 19, 2011, returns since the said date have been considered for calculating Since Inception performance. The inception date of HSBC Liquid Fund however is December 04, 2002.

Source: HSBC Mutual Fund, data as on 31 October 2023

[Click here](#) to check other funds performance managed by the Fund Manager

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

Product Label

| Scheme name and Type of scheme | Scheme Risk-o-meter | Benchmark Risk-o-meter |
|--|--|--|
| <p>HSBC Liquid Fund</p> <p>Liquid Fund - An open-ended Liquid Scheme. Relatively Low interest rate risk and Moderate credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Overnight liquidity over short term • Investment in Money Market Instruments |  | <p>Benchmark : Nifty Liquid Index B-I</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 October 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

Potential Risk Class (HSBC Liquid Fund)

| Credit Risk → | Relatively Low (Class A) | Moderate (Class B) | Relatively High (Class C) |
|---|--------------------------|--------------------|---------------------------|
| Interest Rate Risk ↓ | | | |
| 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 the future and is not indicative of future results. Source: HSBC Mutual Fund, data as on 31 October 2023

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