

## Product Note

### HSBC Short Duration Fund (HSDF)

Short Duration Fund - An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years for details on Macaulay's Duration (for details on Macaulay's Duration please refer to the SID). A moderate interest rate risk and moderate credit risk.

November 2023

Fund Category	Fund Manager	Benchmark <sup>1, 2</sup>	Inception Date	AUM <sup>3</sup> &
Short Duration Fund	Jalpan Shah and Shriram Ramanathan	NIFTY Short Duration Debt Index A-II	27 Dec 2011	Rs. 3372.94 Cr

Quantitative Data		Minimum Investment		
Average Maturity	2.85 year	Lumpsum	SIP	Additional Purchase
Modified Duration	2.41 year	₹ 5,000	₹ 500	₹ 1,000
Macaulay Duration <sup>^</sup>	2.55 year			
Yield to Maturity	7.66%			

### Why HSBC Short Duration Fund?

- The fund offers a prudent portfolio in line with the risk appetite of the investors
- Demonstrated ability to identify value-buying opportunities and to reposition the portfolio basis evolving interest rate environment

### Fund Strategy

- The scheme aims at generating returns through yield accrual while also capturing potential opportunities of capital appreciation
- Aim to maintain the high credit quality, with 100% of the portfolio in AAA or equivalent securities

Entry Load\*: Not Applicable, Exit Load: NIL, \* In terms of 10.4.1.a. of SEBI Master Circular on Mutual Funds dated May 19, 2023, no entry load will be charged to the investor.

Month End Total Expenses Ratios (Annualized)<sup>4</sup> – Regular<sup>5</sup>: 0.75%, Direct: 0.27%

<sup>1</sup> 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. <sup>2</sup> Fund's benchmark has changed with effect from 4 Sep 2023.

<sup>3</sup> AUM is as on 31 October 2023.

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

<sup>5</sup> Continuing plans

<sup>6</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 above information is for illustrative purposes only. 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).

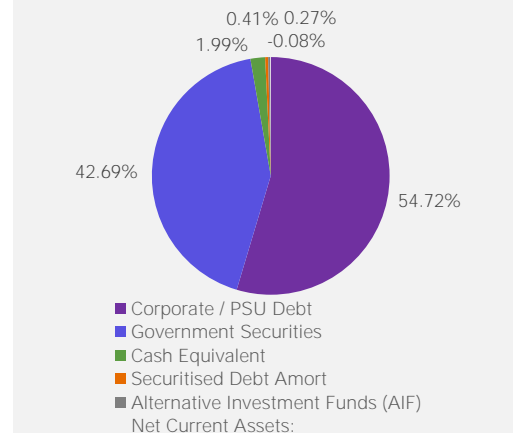
Source – HSBC Mutual Fund, Data as of 31 October 2023. Past performance may or may not be sustained in the future and is not indicative of future results.

## Portfolio

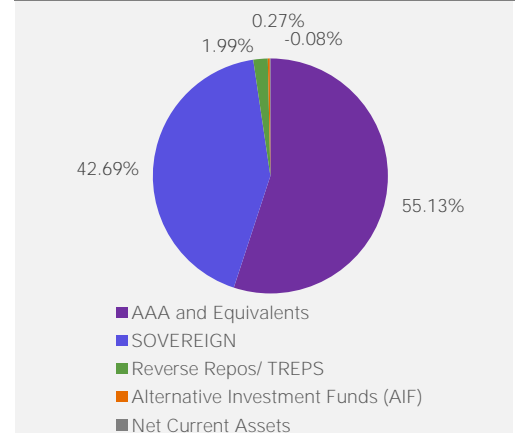
Issuer	Rating	% to Net Assets
<b>Corporate Bonds / Debentures</b>		<b>54.72%</b>
Power Finance Corporation Limited	CRISIL AAA	8.12%
National Bank for Agriculture & Rural Development	CRISIL AAA	7.90%
HDFC Bank Limited	CRISIL AAA	7.59%
Small Industries Development Bank of India	CRISIL AAA / ICRA AAA	8.51%
Rec Limited	CARE AAA / CRISIL AAA	7.93%
Indian Railway Finance Corporation Limited	CRISIL AAA	3.78%
LIC Housing Finance Limited	CRISIL AAA	3.16%
National Housing Bank	CRISIL AAA	3.03%
Jamnagar Utilities and Power Pvt Limited (Mukesh Ambani Group)	CRISIL AAA	2.87%
Indian Oil Corporation Limited	ICRA AAA	1.52%
Bajaj Housing Finance Limited	CRISIL AAA	0.31%
<b>Securitised Debt Amort</b>		<b>0.41%</b>
First Business Receivables Trust (Backed by receivables from Reliance Industries, Reliance Retail, Reliance Jio)	CRISIL AAA(SO)	0.41%
<b>Government Securities</b>		<b>42.69%</b>
7.38% GOI 20JUN2027	SOVEREIGN	18.28%
7.06% GOI 10APR28	SOVEREIGN	13.99%
MAHARASHTRA 08.23% 09SEP25 SDL	SOVEREIGN	3.95%
7.89% GUJARAT 15MAY2025 SDL	SOVEREIGN	2.97%
MAHARASHTRA SDL 08.26% 12AUG25	SOVEREIGN	0.95%
5.63% GOI 12APR2026	SOVEREIGN	0.72%
KARNATAKA SDL 08.14% 13NOV25	SOVEREIGN	0.62%
GUJARAT 07.96% 14OCT2025 SDL	SOVEREIGN	0.60%
GUJARAT SDL 8.23% 09/09/25	SOVEREIGN	0.30%
8.50% JAMMU & KASHMIR 30MAR2025 SDL	SOVEREIGN	0.15%
8.65% UTTAR PRADESH 10MAR2024 SDL	SOVEREIGN	0.12%
7.72% GOI 25MAY25	SOVEREIGN	0.04%
<b>Alternative Investment Funds (AIF)</b>		<b>0.27%</b>
CDMDF CLASS A2		0.27%
<b>Cash Equivalent</b>		<b>1.91%</b>
<b>TREPS*</b>		<b>1.99%</b>
<b>Net Current Assets:</b>		<b>-0.08%</b>
<b>Total Net Assets as on 31-October-2023</b>		<b>100.00%</b>



## Asset Allocation



## Rating Portfolio



\*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.

## Investment Objective

To provide a reasonable income through a diversified portfolio of fixed income securities such that the Macaulay duration of the portfolio is between 1 year to 3 years. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Fund Manager - Jalpan Shah Effective 30 May 2016. Total Schemes Managed - 6  
Fund Manager - Shriram Ramanathan Effective 30 May 2016. Total Schemes Managed - 11

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 %	
HSBC Short Duration Fund - Regular Plan <sup>6</sup>	10623	6.23	11234	3.95	13037	5.44	21856	6.82	27-Dec-11
Scheme Benchmark (NIFTY Short Duration Debt Index A-II)	10705	7.05	11456	4.63	13821	6.68	23996	7.66	
Additional Benchmark (CRISIL 10 year Gilt Index)	10744	7.44	10816	2.65	13511	6.20	21141	6.52	

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.


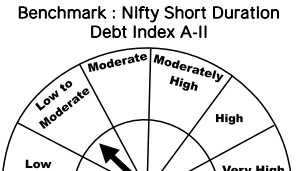
Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular dated May 19, 2023, on Disclosure of Performance of Schemes post-merger using the weighted average performance of both transferor and transferee schemes. In other cases, performance is computed using the Applicable NAV of the surviving/continuing schemes.

<sup>6</sup>HSBC Short Duration Fund - Effective September 04, 2023 the Benchmark has been changed from NIFTY Short Duration Debt Index B-II to NIFTY Short Duration Debt Index A-II. Please note, the returns have been provided for the Benchmark NIFTY Short Duration Debt Index B-II as on 31st August 2023

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

[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
<p><b>HSBC Short Duration Fund</b></p> <p><b>Short Duration Fund</b> - An open-ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years (please refer to page no.17 of the SID for details on Macaulay's Duration). A Moderate interest rate risk and Relatively Low Credit Risk.</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Generation of regular returns over short term</li> <li>• Investment in fixed income securities of shorter term maturity.</li> </ul>	 <p>Investors understand that their principal will be at Moderate risk</p>	<p><b>Benchmark : Nifty Short Duration Debt Index A-II</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 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 Short Duration Fund)

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓	Relatively Low (Class I)		
	Moderate (Class II)	A-II	
	Relatively High (Class III)		

A Scheme with Relatively Moderate 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.