

# HSBC Overnight Fund

Overnight fund – An open ended debt scheme investing in overnight securities. Relatively low interest rate risk and relatively low credit risk.  
(L&T Overnight Fund has merged into HSBC Overnight Fund)

## Park your surplus money with confidence



# What are Overnight Funds and where do they invest?

- Overnight funds are debt funds that invest in debt and money market instruments having maturity of up to one business day

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<b>Debt instruments*</b>	<b>Price Risk</b>
TREPS (Tri Party Repos)	Very Low
Reverse Repo	Very Low

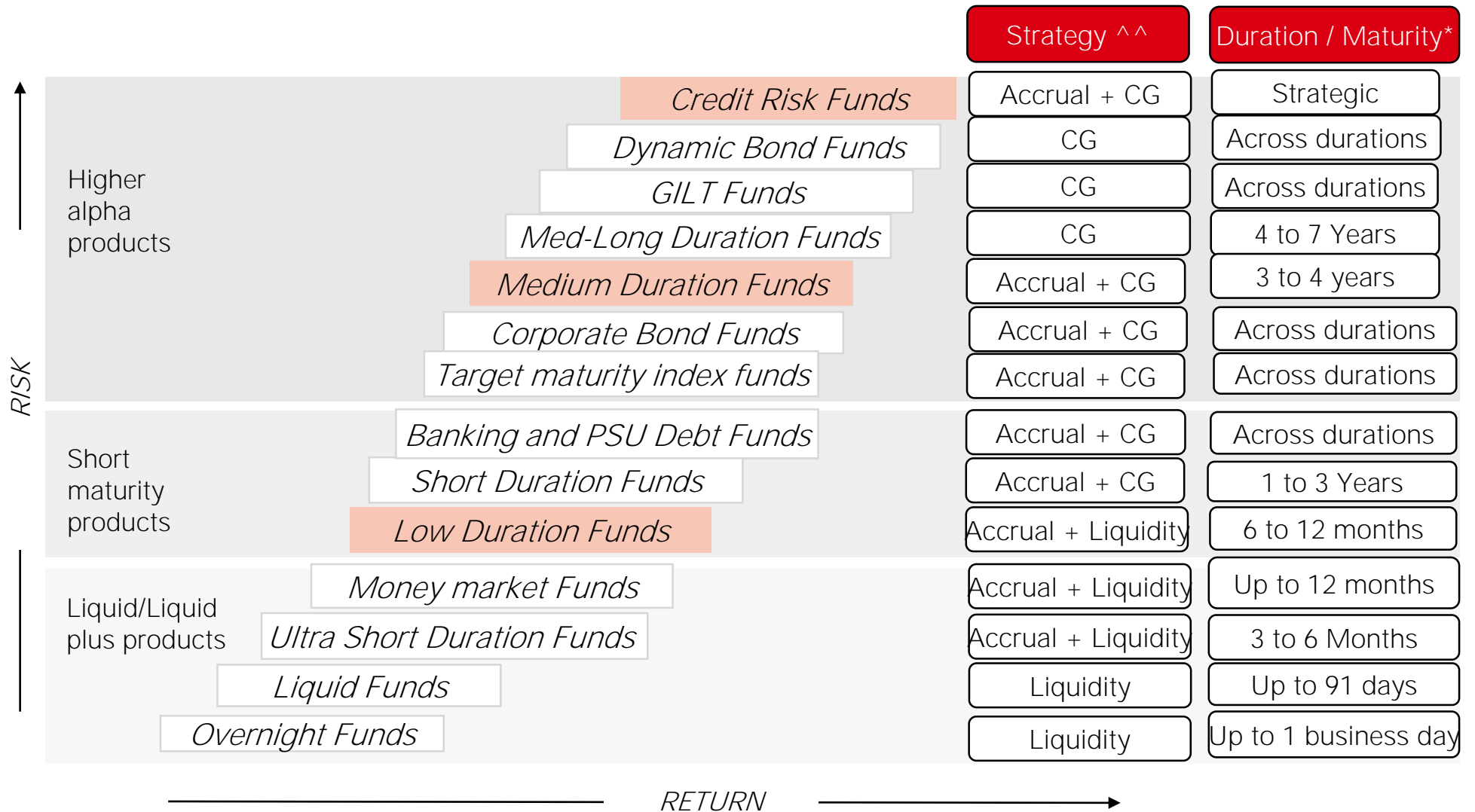
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- The primary objective of these funds is to seek to generate returns commensurate with low risk and providing high level of liquidity, through investments made primarily in overnight securities having maturity of up to 1 business day.
- As the investment is in overnight instruments maturing in 1 day, interest rate changes may not affect price of the security considering its very short term nature.

**Overnight Fund's underlying investment reflect its lowest risk**

\* Above list is not exhaustive and for illustration purpose only. Overnight funds can invest in other instruments that includes Commercial Papers (CP), Certificate of Deposits (CD) and T-Bills with the maturity of 1 business day. Please refer to the Scheme Information Document for complete list of investment options.

# Positioning of Fixed Income funds



Indicates Credit-Oriented products

\* Above list is for illustration purpose only.

# Benefits of Overnight Funds



Lowest volatility

Overnight funds offer relatively lower volatility compared to other fixed income funds



Lowest risk

Overnight funds carry low interest rate risk and lowest credit default risk vs other fixed income funds



High liquidity\*\*

Overnight funds are one of the most liquid investments available in the market with redemption availability on any working day



Reasonable risk adjusted performance

Overnight funds can deliver consistent and reasonable risk adjusted performance vs traditional saving products



Default risk

Lowest default risk

Less volatile + Less risky + Highest liquidity = Reasonable performance

\*\* As per SEBI circular dated November 25, 2022 or as amended from time to time, with effect from January 14, 2023, the Fund shall transfer the redemption / repurchase proceeds within 3 working Days, from the date of acceptance of redemption request at any of the Investor Service Centres. Further, as per AMFI circular no. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, in case of exceptional situations the AMC might follow the additional time lines for making redemption payments.

# Overnight Funds - A solution to your one day investment worries



Best suitable to park idle money for reasonable returns and high liquidity

\*\* As per SEBI circular dated November 25, 2022 or as amended from time to time, with effect from January 14, 2023, the Fund shall transfer the redemption / repurchase proceeds within 3 working Days, from the date of acceptance of redemption request at any of the Investor Service Centres. Further, as per AMFI circular no. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, in case of exceptional situations the AMC might follow the additional time lines for making redemption payments.

# HSBC Overnight Fund strategy

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Overnight	Kapil Lal Punjabi and Mahesh Chhabria	NIFTY 1D Rate Index	22 May 2019	Rs. 2895.90 Cr

## Why Overnight Fund

- Overnight funds offer relatively lower volatility compared to other fixed income funds
- Overnight funds carry low interest rate risk and lowest credit risk vs other fixed income funds
- Overnight funds are one of the most liquid investments available in the market with redemption availability on any working day
- Overnight funds can deliver consistent and reasonable risk adjusted performance vs. traditional saving products
- Ideal for parking short term/ contingency funds for 1 day to 7 days holding period

Quantitative Data	
Average Maturity	4.36 Days
Modified Duration	4.36 Days
Macaulay Duration	4.36 Days
Yield to Maturity	7.41%

## Fund Strategy

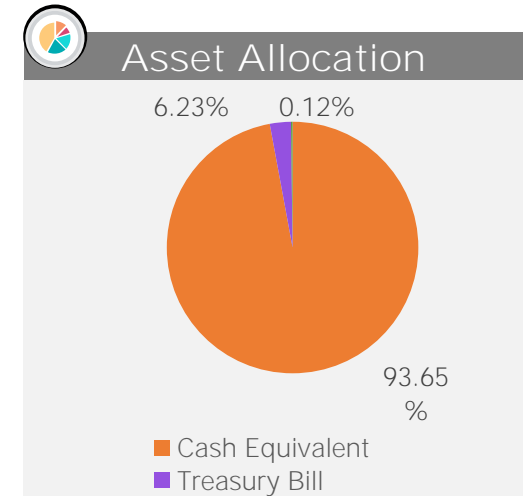
- Primary objective of these funds is to seek to generate returns commensurate with low risk and providing high level of liquidity, through investments made primarily in overnight securities having maturity of up to 1 business day.
- Can invest in Tri party Repos (TREPS), reverse repos, CROMS and other eligible 1 day assets

Deliver consistent and reasonable risk adjusted performance

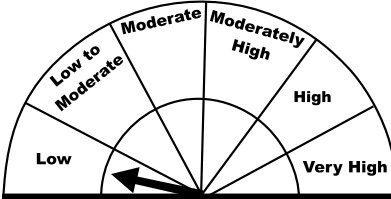
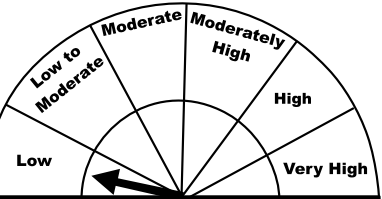
# Overnight Funds - A solution to your one day investment worries

## Portfolio

Issuer	Rating	% to Net Assets
<b>Treasury Bill</b>		<b>6.23%</b>
364 DAYS T-BILL 16MAR23	SOVEREIGN	4.20%
91 DAYS T-BILL 20APR23	SOVEREIGN	2.03%
<b>TREPS*</b>		<b>18.29%</b>
<b>Reverse Repos</b>		<b>75.36%</b>
<b>Net Current Assets</b>		<b>0.12%</b>
<b>Total Net Assets as on 28-FEBRUARY-2023</b>		<b>100.00%</b>



# Overnight Funds - A solution to your one day investment worries

HSBC Overnight Fund		
 <p><b>RISKOMETER</b></p>	<p>Overnight fund – An open ended debt scheme investing in overnight securities. Relatively Low interest rate risk and relatively Low credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>• Income over short term and high liquidity</li> <li>• Investment in debt &amp; money market instruments with overnight maturity</li> </ul>	<p>Benchmark Index: NIFTY 1D Rate Index</p>  <p><b>RISKOMETER</b></p>
<p>Investors understand that their principal will be at Low risk</p>	<p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.                      ^ The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.</p> <p>Note on Risk-o-meters: Riskometer is as on 31 Mar 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</p>	

Potential Risk Class (HSBC Overnight Fund)			
Credit Risk →			
Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			
A Scheme with Relatively Low interest rate risk and Low credit risk.			



# HSBC Overnight Fund (HOF)

Investment Objective - The scheme aims to offer reasonable returns commensurate with low risk and high degree of liquidity through investments in overnight securities. However, there is no assurance that the investment objective of the Scheme will be achieved.

Fund Name	HSBC Overnight Fund	Type	An open ended debt scheme investing in overnight securities. Relatively Low interest rate risk and relatively Low credit risk.
Benchmark	CRISIL Overnight Index	Plans / Options / Sub options	Regular, Direct plans, Growth option, Daily Dividend (Reinvestment), Weekly Dividend (Payout and Reinvestment), Monthly Dividend (Payout and Reinvestment)
Minimum Application Amount	Rs 5,000/- per application	Loads (including SIP / STP wherever applicable)	Entry Load* : Nil Exit Load^:- Nil
Minimum Application Amount (SIP)	Rs. 500 (monthly)		
STP/SWP	Available	Fund Managers	Kapil Punjabi

^The exit loads set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively

\*In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009.

No exit load (if any) will be charged for units allotted under bonus / dividend reinvestment option.

# Disclaimer

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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](mailto:investor.line@mutualfunds.hsbc.co.in) | Website: [www.assetmanagement.hsbc.co/in](http://www.assetmanagement.hsbc.co/in)

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

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