HSBC Mutual Fund

Product Note

HSBC Banking and PSU Debt Fund (HBPF)

(An open ended debt scheme primarily investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high interest rate risk and relatively low credit risk.)

June 2026

Fund Category	Fund Manager	Benchmark [1, 2]	Inception Date	AUM[3&]
Banking and PSU Fund	Mahesh Chhabria and Mohd. Asif Rizwi	Nifty Banking & PSU Debt Index A-II	12 Sep 2012	Rs 3,967.36 Cr

Quantitative Data	
Average Maturity	2.86 Years
Modified Duration	2.34 Years
Macaulay Duration	2.49 Years
Yield to Maturity	7.69%

Minimum Investment		
Lumpsum	SIP	Additional Purchase
₹ 5,000	₹ 500	₹ 1,000

Why HSBC Banking and PSU Debt Fund?

- The scheme is ideally suited for investors seeking a high portfolio quality and targeting higher returns through accrual
- The fund offers a prudent portfolio considering the risk appetite whilst seeking optimal returns

Fund Approach

- The Fund follows an active strategy to invest across the curve
- The fund predominantly invests in in debt and money market securities that are issued by Banks, Public Sector Undertakings .
- Continues to maintain the high credit quality with the portfolio in AAA or equivalent securities

Month End Base Expenses Ratios (Annualized)[4]

Plan	Base Expense Ratio (BER)
Regular[5]	0.49%
Direct	0.20%

Exit Load: NIL, No entry load will be charged to the investor.

[1] As per clause 7.22 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., on Benchmarks for 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.

[2] Fund's benchmark has changed with effect from May 01, 2024.

[3] AUM is as on 31 May 2026.

[4] BER excludes brokerage & transaction cost, and statutory levies(including GST). Refer to the notice cum addendum issued on March 27, 2026 with respect to change in "Base Expense Ratio (BER) limits" of all schemes of HSBC Mutual Fund effective April 01, 2026. For detailed TER Click Here (https://old.camsonline.com/COL_HSBCDownload.aspx)

[5] 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 May 2026.

Past performance may or may not be sustained in future and is not a guarantee of any future returns.

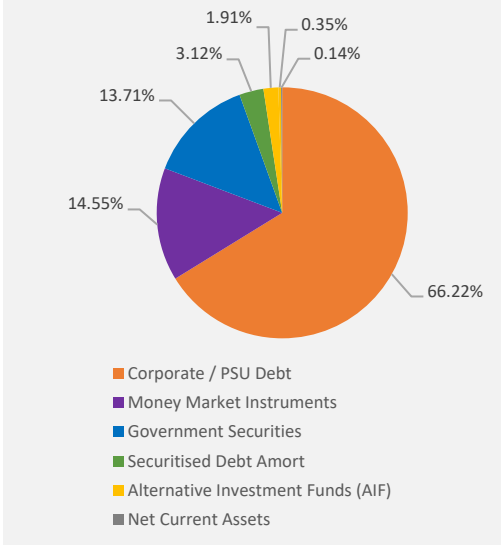
Portfolio

Issuer	Rating	% to Net Assets
Corporate Bonds / Debentures		**66.22%**
Indian Railway Finance Corporation Ltd	CRISIL AAA	8.46%
SIDBI	CRISIL AAA	6.98%
EXIM Bank	CRISIL AAA	6.41%
NABARD	CRISIL AAA / ICRA AAA	8.84%
Power Finance Corporation Limited	CRISIL AAA	5.09%
Housing and Urban Development Corp. Ltd.	ICRA AAA	4.59%
Indian Oil Corporation Limited	CRISIL AAA	3.99%
REC Limited	CRISIL AAA / ICRA AAA	5.81%
Bharti Telecom Limited	CRISIL AAA	2.52%
Embassy Office Parks REIT	CRISIL AAA	2.34%
Bajaj Finance Limited	CRISIL AAA	1.91%
National Housing Bank	IND AAA / CRISIL AAA	3.16%
HDFC Bank Limited	CRISIL AAA	1.32%
National Highways Authority of India	CRISIL AAA	1.32%
Tata Capital Ltd	CRISIL AAA	1.27%
Power Grid Corporation of India Limited	CRISIL AAA	1.06%
Mahindra & Mahindra Financial Serv Ltd.	CRISIL AAA	0.63%
Kotak Mahindra Prime Limited	CRISIL AAA	0.52%
Money Market Instruments		
Certificate of Deposit		**12.17%**
ICICI Bank Limited	ICRA A1+	3.92%
Canara Bank	CRISIL A1+	3.58%
HDFC Bank Limited	CARE A1+	2.02%
Axis Bank Limited	CRISIL A1+	1.45%
Union Bank of India	IND A1+	1.20%
Commercial Paper		**2.38%**
EXIM Bank	CRISIL A1+	2.38%
Securitised Debt Amort		**3.12%**
Shivshakti Securitisation Trust (PTC of loan pool from Mukesh Ambani group entity)	CRISIL AAA(SO)	2.12%
Siddhivinayak Securitisation Trust (PTC of loan pool from Mukesh Ambani group entity)	CRISIL AAA(SO)	1.00%
Government Securities		**13.71%**
7.04% GOI - 03-Jun-2029	SOVEREIGN	2.51%
7.61% Gujarat SDL - 03-Aug-2032	SOVEREIGN	1.29%
6.94% GOI 11-May-2036	SOVEREIGN	1.26%
6.36% GOI 16-Feb-2031	SOVEREIGN	1.26%
6.78% Maharashtra SDL - 25-May-2031	SOVEREIGN	1.23%
6.68% GOI 07Jul2040	SOVEREIGN	1.22%
7.49% Maharashtra SDL - 12-Apr-2030	SOVEREIGN	1.02%
6.48% GOI 06Oct2035	SOVEREIGN	0.99%
7.91% Maharashtra SDL - 08-Apr-2039	SOVEREIGN	0.90%
7.26% GOI MAT 06-Feb-2033	SOVEREIGN	0.65%
6.01% GOI 21Jul2030	SOVEREIGN	0.63%
6.77% Maharashtra SDL - 25-Feb-2030	SOVEREIGN	0.38%
6.64% Tamil Nadu SDL - 11-Mar-2029	SOVEREIGN	0.37%
Alternative Investment Funds (AIF)		**0.35%**
Corp Debt Mkt Devlop Fund (SBI AIF Fund)	AIF	0.35%
Cash Equivalent		**2.05%**
TREPS*		**1.91%**
Net Current Assets		**0.14%**
Total Net Assets as on 31-May-2026		**100.00%**

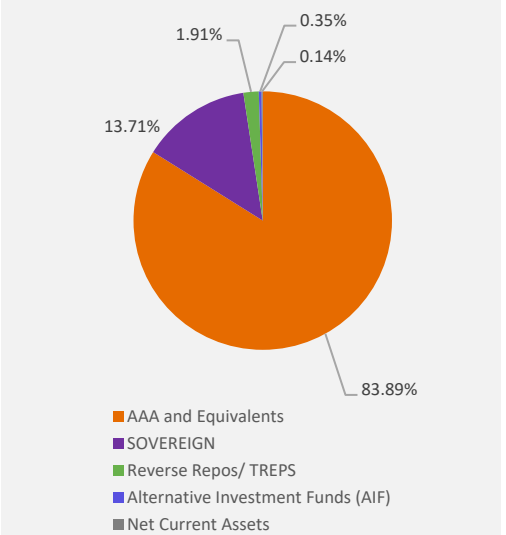
*Portfolio has 1.24% exposure to Interest Rate Swaps

Source: HSBC Mutual Fund, data as on 31 May 2026,
Note : Please refer to Scheme Information Document for more details on Asset Allocation of the scheme.

Asset Allocation



Rating Portfolio



Ratings allocation in HBPF

Currently HBPF has invested ~83.89% in instruments (AAA and equivalent), while ~13.71% held in Sovereign.

Document remediated as per WCAG 2.2 Level AA standards.

Investment Objective

The investment objective of the Scheme is to generate reasonable returns by primarily investing in debt and money market securities that are issued by Banks, Public Sector Undertakings (PSUs) and Public Financial Institutions (PFIs) in India. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

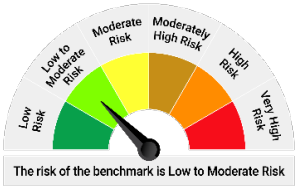
Fund Manager - Mahesh Chhabria Effective 26 Nov 2022. Total Schemes Managed - 14
Fund Manager - Mohd Asif Rizwi Effective 01 May 2024. Total Schemes Managed - 15

Lump Sum Investment Performance											Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		10 Years		Since Inception		
	Amount in Rs.	Returns %	Amount in Rs.	Returns %	Amount in Rs.	Returns %	Amount in Rs.	Returns %	Amount in Rs.	Returns %	
HSBC Banking and PSU Debt Fund - Regular Plan~~	10354	3.55	12003	6.28	12820	5.10	18788	6.51	25163	6.96	12-Sep-12
Scheme Benchmark (Nifty Banking & PSU Debt Index A-II)	10399	4.00	12081	6.51	13104	5.56	19118	6.70	26286	7.30	
Additional Benchmark (CRISIL 10 year Gilt Index)	9997	-0.03	11906	5.99	12593	4.72	17972	6.04	23629	6.47	
HSBC Banking and PSU Debt Fund - Direct Plan~~	10388	3.89	12134	6.67	13060	5.49	19557	6.94	25930	7.36	01-Jan-13
Scheme Benchmark (Nifty Banking & PSU Debt Index A-II)	10399	4.00	12081	6.51	13104	5.56	19118	6.70	25562	7.25	
Additional Benchmark (CRISIL 10 year Gilt Index)	9997	-0.03	11906	5.99	12593	4.72	17972	6.04	22757	6.32	

Past performance may or may not be sustained in future and is not a guarantee of any future returns. The performance details provided herein are of Regular as well as Direct 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 May 2026 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 6.9.1 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., 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 14.3 of the SEBI Master Circular for Mutual Funds dated March 20, 2026., 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
Source: HSBC Mutual Fund, Data as on 31 May 2026
Click here to check other funds performance managed by the Fund Manager

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.

Product Label

Scheme name and Type of scheme	*Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
HSBC Banking and PSU Debt Fund (An open ended debt scheme primarily investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high interest rate risk and relatively low credit risk.) **This product is suitable for investors who are seeking*:** • Generation of reasonable returns and liquidity over short term • Investment predominantly in securities issued by Banks, Public Sector Undertakings and Public Financial Institutions and municipal corporations in India		As per AMFI Tier 1. Benchmark Index: **NIFTY Banking & PSU Debt Index A-II** 

* 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 May 2026, 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 Banking and PSU Debt Fund)			
Credit Risk → **Interest Rate Risk ↓**	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	**A-III**		
A Scheme with Relatively High interest rate risk and Low credit risk.			

Past performance may or may not be sustained in future and is not a guarantee of any future returns. Source: HSBC Mutual Fund, data as on 31 May 2026

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 2026 and guidelines issued thereunder, HSBC AMC, its employees and/or empaneled distributors/agents are forbidden from guaranteeing/promising/assuring/predicting any returns or future performances of the schemes of HSBC Mutual Fund. Hence please do not rely upon any such statements/commitments. If you come across any such practices, please register a complaint via email at investor.line@mutualfunds.hsbc.co.in.
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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.