

## Product Note

### HSBC Short Duration Fund (HSDF)

(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.16 of SID for details on Macaulay's Duration). A Moderate interest rate risk and Relatively Low credit risk.)

September 2024

Fund Category	Fund Manager	Benchmark <sup>1</sup>	Inception Date	AUM <sup>3</sup> &
Short Duration Fund	Shriram Ramanathan <sup>@</sup> and Mohd Asif Rizwi	NIFTY Short Duration Debt Index A-II	27 Dec 2011	Rs. 3,783.16 Cr

Quantitative Data		Minimum Investment		
Average Maturity	3.41 years	Lumpsum	SIP	Additional Purchase
Modified Duration	2.75 years	₹ 5,000	₹ 500	₹ 1,000
Macaulay Duration <sup>^</sup>	2.90 years			
Yield to Maturity	7.38%			

### 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 Approach

- 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

**Exit Load:** NIL, 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 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>2</sup>AUM is as on 30 August 2024.

<sup>3</sup>TER Annualized TER including GST on Investment Management Fees

<sup>4</sup>Continuing plans. <sup>@</sup> Managing since from May 1, 2024, Please refer notice cum addendum dated April 30, 2024

<sup>8</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>

<sup>^</sup>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.

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

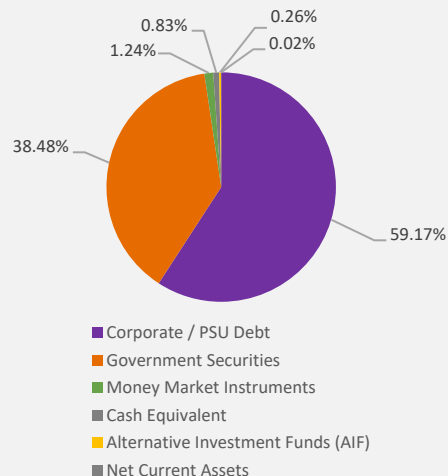
## Portfolio

Issuer	Rating	% to Net Assets
<b>Corporate Bonds / Debentures</b>		<b>59.17%</b>
National Bank for Agriculture & Rural Development	CRISIL AAA	8.26%
Indian Railway Finance Corporation Limited	CRISIL AAA	6.85%
Rec Limited	CRISIL AAA	6.18%
Power Finance Corporation Limited	CRISIL AAA	5.81%
Small Industries Development Bank of India	CRISIL AAA	5.64%
LIC Housing Finance Limited	CRISIL AAA	5.48%
HDFC Bank Limited	CRISIL AAA	5.40%
Bajaj Finance Limited	CRISIL AAA	4.86%
Kotak Mahindra Prime Limited	CRISIL AAA	3.88%
Export Import Bank of India	CRISIL AAA	2.76%
National Housing Bank	CRISIL AAA	2.68%
Bajaj Housing Finance Limited	CRISIL AAA	1.37%
<b>Money Market Instruments</b>		
<b>Certificate of Deposit</b>		<b>1.24%</b>
ICICI Bank Limited	CRISIL A1+	1.24%
<b>Government Securities</b>		<b>38.48%</b>
7.32% GOI BOND 13NOV2030	SOVEREIGN	11.20%
7.37% GOI 23OCT2028	SOVEREIGN	7.89%
7.10% GOI 18APR29	SOVEREIGN	6.18%
7.06% GOI 10APR28	SOVEREIGN	6.16%
7.76% MAHARASHTRA 04Oct2030 SDL	SOVEREIGN	2.81%
GOI FRB 04Oct2028	SOVEREIGN	1.37%
7.04% GOI 03JUN29 G-SEC	SOVEREIGN	1.36%
7.17% KARNATAKA 27Nov2029 SDL	SOVEREIGN	0.68%
6.73% TAMIL NADU 13MAY30 SDL	SOVEREIGN	0.66%
8.50% JAMMU & KASHMIR 30MAR2025 SDL	SOVEREIGN	0.14%
7.72% GOI 25MAY25	SOVEREIGN	0.03%
<b>Alternative Investment Funds (AIF)</b>		<b>0.26%</b>
CDMDF CLASS A2	AIF	0.26%
<b>Cash Equivalent</b>		<b>0.85%</b>
<b>TREPS*</b>		<b>0.83%</b>
<b>Net Current Assets</b>		<b>0.02%</b>
<b>Total Net Assets as on 31-August-2024</b>		<b>100.00%</b>

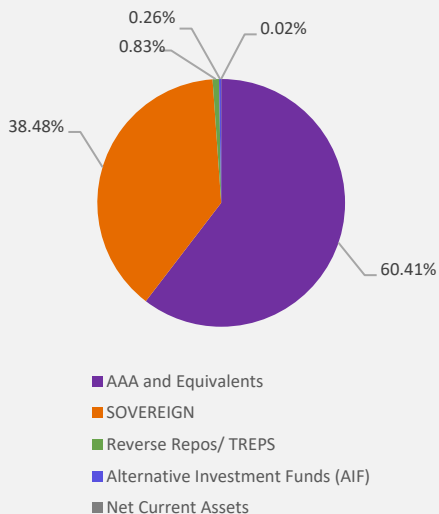
\*TREPS : Tri-Party Repo



### Asset Allocation



### Rating Portfolio



## 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 - Shriram Ramanathan Effective 01 September 2024. Total Schemes Managed - 11  
Fund Manager - Mohd Asif Rizwi Effective 15 Jan 2024. Total Schemes Managed - 5

Lump Sum Investment Performance									Inception Date
Fund / Benchmark (Value of Rs 10,000 Invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	
HSBC Short Duration Fund - Regular Plan <sup>6**</sup>	10731	7.31	11580	5.01	13238	5.76	23300	6.90	27-Dec-11
Scheme Benchmark (NIFTY Short Duration Debt Index A-II)	10751	7.51	11743	5.50	13517	6.21	25569	7.68	
Additional Benchmark (CRISIL 10 year Gilt Index)	10882	8.82	11592	5.05	12939	5.28	23105	6.82	

**Note :** Mohd. Asif Rizwi is managing the fund since January 15, 2024. For more details, investors are requested to refer Notice cum Addendum dated January 10, 2024 available on website of HSBC Mutual Fund.

**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



Returns for Debt schemes has been calculated as on last business day NAV provided as on 30 August 2024.

<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.

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 Short Duration Fund</b></p> <p>(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.16 of 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>As per AMFI tier 1 <b>Benchmark Index : 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 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

### Potential Risk Class (HSBC Short Duration Fund)

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
<b>Relatively Low (Class I)</b>			
<b>Moderate (Class II)</b>	<b>A-II</b>		
<b>Relatively High (Class III)</b>			
<b>A Scheme with Relatively Moderate interest rate risk and Moderate credit risk.</b>			

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 30 August 2024

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