

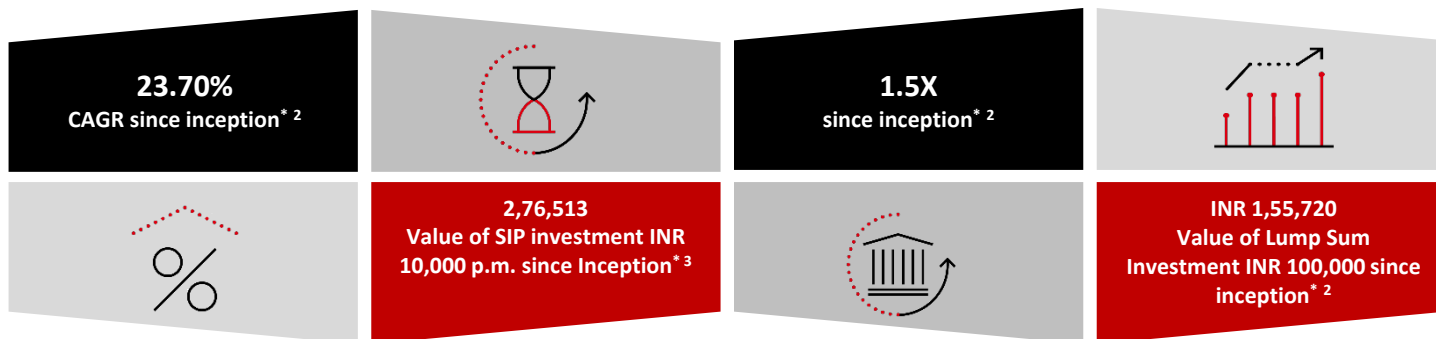
## Product Note

### HSBC Multi Cap Fund (HMCF)

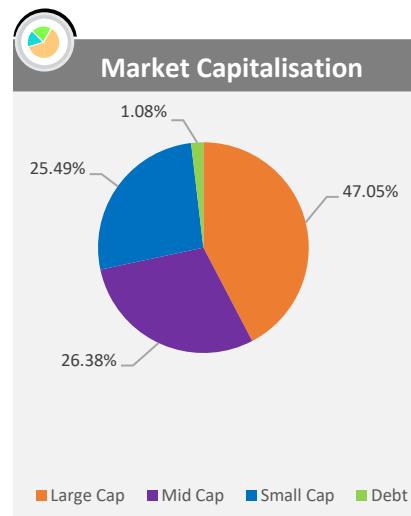
(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

March 2025

| Fund Category  | Fund Manager   | Benchmark <sup>1</sup>          | Inception Date | AUM <sup>&amp;</sup> |
|----------------|--|---------------------------------|----------------|----------------------|
| Multi Cap Fund | Venugopal Manghat, Gautam Bhupal, Mahesh Chhabria and Sonal Gupta <sup>#</sup> | NIFTY 500 Multicap 50:25:25 TRI | 30 Jan 2023    | Rs. 3,891.79 Cr      |



| Portfolio                   | % to net assets | Industry - Allocation           | % to net assets |
|-----------------------------|-----------------|---------------------------------|-----------------|
| HDFC Bank Limited           | 3.92%           | Banks                           | 13.39%          |
| ICICI Bank Limited          | 2.86%           | IT - Software                   | 11.08%          |
| Bajaj Finance Limited       | 2.83%           | Finance                         | 8.28%           |
| Reliance Industries Limited | 2.37%           | Pharmaceuticals & Biotechnology | 7.91%           |
| Wipro Limited               | 2.30%           | Electrical Equipment            | 4.98%           |
| Infosys Limited             | 2.06%           | Automobiles                     | 4.83%           |
| NTPC Limited                | 1.98%           | Construction                    | 4.50%           |
| Federal Bank Limited        | 1.97%           | Capital Markets                 | 4.03%           |
| Jubilant Foodworks Limited  | 1.92%           | Leisure Services                | 3.60%           |
| Shriram Finance Limited     | 1.88%           | Retailing                       | 3.13%           |



Month End Total Expenses Ratios (Annualized)<sup>4</sup> – Regular<sup>5</sup>: 1.89%, Direct: 0.62%

<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> As on 28 February 2025 of Growth option regular plan. During the same period, scheme benchmark (NIFTY 500 Multicap 50:25:25 TRI) has moved by 1.4X to Rs 1,43,840 from Rs 100,000 and delivered return of 19.08%. Please refer page no. 3 for detailed performance of HSBC Consumption Fund.

<sup>3</sup> During the same period, value of scheme benchmark (NIFTY 500 Multicap 50:25:25 TRI) has moved to 2,68,308.

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

<sup>5</sup> Continuing plans. <sup>#</sup> Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

<sup>&</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 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 28 February 2025. **Past performance may or may not be sustained in the future and is not indicative of future results.**

## Fund philosophy

- The fund invest across Large, Mid and Small Caps
- Aim to focus on smaller size businesses in their early stage of development that have potential for growth in the long run
- Focus on growth potential in revenue and profit opportunities as compared to broader market
- Follows bottom-up stock selection using proprietary investment approach
- Aims to invest in undervalued, under-owned, and under researched segments that may deliver growth in long run
- Valuation is the most important key focus while investing in stocks with an adequate margin of safety

## The fund's Investment approach

- Aim to provide long-term capital growth through a dynamically managed portfolio across Small, Mid and Large Cap stocks
- The market capitalisation allocation of assets will be a minimum 25% each in Small, Mid and Large Cap stocks

### Bottom-up stock picking is rewarding across cycles

- Various phases of the economic cycle throw up diverse stock picking opportunities
- In a growing economy, some companies may exhibit growth and earnings visibility irrespective of the business cycle
- Business cycles and macros driving them can be directional indicators but ultimately stock selection offer the potential long-term performance

### Strong franchises thrive in bad macros

- Bad macro-economic conditions are a blessing for good franchises
- For e.g. rising cost of inputs forces weaker players in an industry to close capacity. This helps stronger / organized players to gain market share and dominate the industry
- Consumer staples companies do well generally in a high inflation environment. Similarly, rising crude prices have helped Paint companies even as their input prices have risen multifold
- Adverse NPA cycle has hurt weak PSU banks, curtailing their ability to lend, thereby enabling NBFCs and private banks to garner market share and strengthen their franchise further

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**Past performance may or may not be sustained in the future.** Source – HSBC Mutual Fund, For illustration purpose only.

Note - Large-caps are represented by the top 100 stocks on full market capitalisation basis & Mid caps are represented by the next 150 stocks based on full market capitalisation and Small Cap stocks beyond 250th stock based on full market capitalisation basis .

Source - HSBC Mutual Fund, Data as of 28 February 2025 , Note - Sector specific information provided above should not be considered as investment advice. Past performance may or may not be sustained in the future and is not indicative of future results.

Fund Manager - Venugopal Manghat Effective 30 Jan 2023. Total Schemes Managed – 7; Fund Manager - Gautam Bhupal Effective 01 Apr 2024. Total Schemes Managed – 13; Fund Manager - Mahesh Chhabria Effective 01 Feb 2025. Total Schemes Managed – 15; Fund Manager - Sonal Gupta Effective 30 Jan 2023. Total Schemes Managed – 26

| Fund / Benchmark<br>(Value of Rs 10,000 invested)  | 1 Year      |           | Since Inception |           |           |
|--|-------------|-----------|-----------------|-----------|-----------|
|  | Amount in ₹ | Returns % | Amount in ₹     | Returns % |           |
| HSBC Multi Cap Fund-Regular Plan~~                 | 9778        | -2.22     | 15572           | 23.70     | 30-Jan-23 |
| Scheme Benchmark (NIFTY 500 Multicap 50:25:25 TRI) | 9897        | -1.03     | 14384           | 19.08     |           |
| Additional Benchmark (Nifty 50 TRI)                | 10189       | 1.89      | 12847           | 12.78     |           |

**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 February 2025 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

| SIP Performance - HSBC Multi Cap Fund– Regular Plan*   |          |                 | Inception Date: 30-Jan-23 |
|--|----------|-----------------|---------------------------|
| Scheme Name & Benchmarks                               | 1 Year   | Since Inception |                           |
| Total amount invested (₹)                              | 120000   | 250000          |                           |
| Market Value as on February 28, 2025 (₹)               | 1,04,655 | 2,76,513        |                           |
| Scheme Returns (%)                                     | -23.03   | 9.65            |                           |
| NIFTY 500 Multicap 50:25:25 TRI - Scheme Benchmark (₹) | 1,06,290 | 2,68,308        |                           |
| Nifty 500 TRI - Scheme Benchmark Returns (%)           | -20.67   | 6.71            |                           |
| Nifty 50 TRI - Additional Benchmark (₹)                | 1,12,208 | 2,65,327        |                           |
| Nifty 50 TRI - Additional Benchmark Returns (%)        | -11.93   | 5.63            |                           |



**Past performance may or may not be sustained in the future and is not indicative of future results.** For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.

Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

Source: HSBC Mutual Fund, data as on 28 February 2025

[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<br>(as applicable)   |
|---|--|---|
| <p><b>HSBC Multi Cap Fund</b></p> <p>(An open ended equity scheme investing across large cap, mid cap, small cap stocks)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"><li>• To create wealth over long-term</li><li>• Investment predominantly in equity and equity related securities across market capitalization</li></ul> |  <p>The risk of the scheme is Very High Risk</p> | <p>As per AMFI Tier I.</p> <p><b>Benchmark Index: NIFTY 500 Multi-cap 50:25:25 TRI</b></p>  <p>The risk of the benchmark is Very High Risk</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 28 February 2025 , 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

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 28 February 2025

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