Debt Fund Book

Fixed Income Funds Snapshot

June 2023

HSBC Mutual Fund

Welcome to the world of fixed income funds

Why fixed income funds are smarter?

- Traditional fixed income products, such as bank FDs, offer capital safety, which may also be subject to certain limitations*. However, after accounting for tax and inflation, the funds may not be sufficient to meet the financial goals
- Fixed income funds can be a worthy alternative, as they are subject to low volatility**, reasonable liquidity^ and inflation-adjusted better performance relative to other alternatives
- They are market-linked products and invest in diverse fixed income instruments such as government securities, corporate bonds and money market instruments
- Net asset value (NAV) of a fund changes in line with the market conditions like interest rate movement of underlying fixed income instruments and on rating changes of underlying issuer holdings
- Fixed income funds are ideal for risk-averse investors
- They offer variety and convenience, which investors can tailor to meet their financial goals

* Bank deposits are insured up to a maximum of Rs 5 lakh by the Deposit Insurance and Credit Guarantee Corporation

** Despite low volatility, there have been some instances where liquid funds have given negative one-day returns, primarily due to liquidity concerns

^Investments in open-ended fixed income funds can be redeemed on any business day. Past performance may or may not be sustained in the future

Fixed Income Fund Universe

Some of the diverse options based on risk, return and investment horizon

RISK

		Strategy ^^	Duration / Maturity*
Higher alpha products	*Credit Risk Funds*	Accrual + CG	Strategic
	Dynamic Bond Funds	CG	Across durations
	GILT Funds	CG	Across durations
	Med-Long Duration Funds	CG	4 to 7 Years
	Medium Duration Funds	Accrual + CG	3 to 4 years
	Corporate Bond Funds	Accrual + CG	Across durations
	Target maturity index funds	Accrual + CG	Across durations
Short maturity products	***Banking and PSU Debt Funds***	Accrual + CG	Across durations
	Short Duration Funds	Accrual + CG	1 to 3 Years
	Low Duration Funds	Accrual + Liquidity	6 to 12 months
Liquid/Liquid plus products	***Money market Funds***	Accrual + Liquidity	Up to 12 months
	Ultra Short Duration Funds	Accrual + Liquidity	3 to 6 Months
	Liquid Funds	Liquidity	Up to 91 days
	Overnight Funds	Liquidity	Up to 1 business day

RETURN

Indicates Credit-Oriented products

Fixed Income – Top down Macro Economic factors

Impact on Bond markets

Banking trends - Credit Deposit ratio

Systemic Liquidity surplus

CPI & Core inflation trends

Global interest rate environment

Growth

Fiscal policy

Current Account Deficit & Currency

G-Sec/SDL Demand Supply dynamics

Real rates/ Deposit Rates

Monetary Policy

- Global Central banks likely to end the interest rate hikes this year but will likely keep rates at these higher levels to curb inflationary pressures.
- Cumulative rate hikes in this cycle by major central banks: Fed – 475 bps, BOE – 415 bps, ECB – 350 bps, MPC – 250 bps
- MPC increased Repo rate in the Feb’23 policy by 25 bps to 6.50% and maintaining the withdrawal of accommodation stance by a vote of 4:2
- Real Rates, Deposit Rates and Small Savings rate turn favorable while we are in the last leg of hiking cycle
- Budget FY 2024 was on expected lines in terms of fiscal discipline, market borrowings and focus on Capex
- Recent Trade deficit number has narrowed, however funding CAD, neutral liquidity and Credit-deposit gap will keep any runaway rally in check

Source: Bloomberg, RBI
Data updated as on April 04, 2023

HSBC Liquid Fund (HLIF) (Erstwhile HSBC Cash Fund)

Liquid Fund - An open-ended Liquid Scheme. Relatively Low interest rate risk and Low credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Liquid Fund	Kapil Lal Punjabi / Shriram Ramanathan	Nifty Liquid Index B-I	04 Dec 2002	Rs. 12,898.82 Cr

Why invest in HSBC Liquid Fund?

- To ensure optimal liquidity and better risk adjusted performance to suit the investor's requirements in various situations, our fund managers follow stringent liquidity, credit risk and interest rate risk norms
- The portfolio comprises of high credit quality papers evaluated through a rigorous credit evaluation process and generally aims to restrict investments to the highest possible short term rating.
- In the current fiscal year, we have seen a sharp move in yields in the shorter segment, making the portfolio yield attractive

Fund Strategy

- Investment predominantly in highly liquid money market instruments, government securities and corporate debt with residual maturity of up to 91 days
- Focus on maintaining a high credit quality and highly liquid portfolio - investing only in names which are covered by internal credit research team
- Yield enhancement possible through measured exposure to high quality Commercial Papers
- System liquidity has moderated significantly and overnight rates are now around 6.25%-6.50%
- The focus continues to be on the accrual returns in the portfolio.

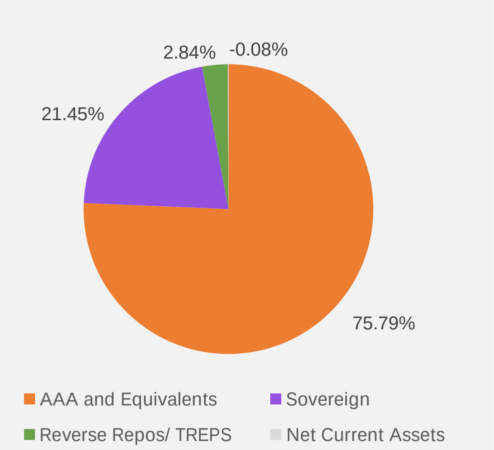
Investment Objective

- To provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through a portfolio of money market and debt securities. However, there can be no assurance that the Scheme objective can be realised

Quantitative Data

YTM$	6.83%
Average Maturity	39.76 Days
Modified Duration	37.41 Days
Macaulay Duration	39.76 Days

Rating Profile



HSBC Mutual Fund

HSBC Overnight Fund (HOVF) (Erstwhile L&T 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)

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Overnight	Kapil Lal Punjabi and Mahesh Chhabria	NIFTY 1D Rate Index	22 May 2019	Rs. 3,144.35 Cr

Why HSBC 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

Fund Philosophy

- 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

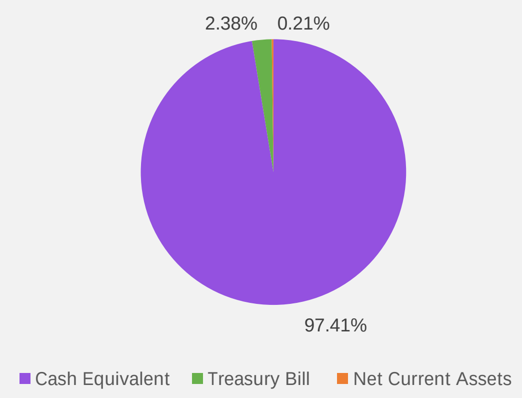
Investment Objective

- 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.

Quantitative Data

YTM$	6.28%
Average Maturity	1.16 Days
Modified Duration	1.16 Days
Macaulay Duration	1.16 Days

Rating Profile



HSBC Mutual Fund

HSBC Dynamic Bond Fund (HLEF) (Erstwhile L&T Flexi Bond Fund)

Dynamic Bond Fund - An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk. (HSBC Corporate Bond Fund & HSBC Flexi Debt Fund has merged into L&T Flexi Bond Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Dynamic Bond	Jalpan Shah and Shriram Ramanathan	NIFTY Composite Debt Index A-III	27 Sep 2010	Rs. 195.88 Cr

Why HSBC Dynamic Bond Fund?

- The fund aims to generate alpha using all sources of generating returns: Yield accruals through high quality credit selection and active duration management.
- Irrespective of the interest rate cycle, the fund through active duration management along with dynamic asset allocation has generated positive returns from even the lowest interest rates in the cycle
- The fund is ideal for investors seeking appropriate risk adjusted returns in a volatile interest rate environment.
- In the current scenario where interest rates are nearing the peak in this cycle, there are opportunities to capture alpha through strategic overweight duration in this fund.

Fund Strategy

- Actively managed fund investing across the yield curve in Govt. Securities and high quality AAA rated credits to generate alpha
- Dynamic duration management to seize potential upsides when interest rates are expected to soften while also reducing risks in an uncertain environment
- Diversified portfolio spread across government securities, corporate bonds and money market instruments.
- Investments in a highly liquid portfolio so as to enable positioning changes based on evolving scenario.
- ~ 50-55% of the portfolio is invested in Corporate bonds in 1-3 year segment for higher accrual. Overweight Corporate Bonds in this segment as spreads over Gsec are relatively better in this part of the curve.
- ~ 40-45% of the portfolio is invested in 4 to 10 year Gsec for higher duration. Overweight Gsec in this segment as Corporate Bond spreads over Gsecs are lower in this part of the curve.

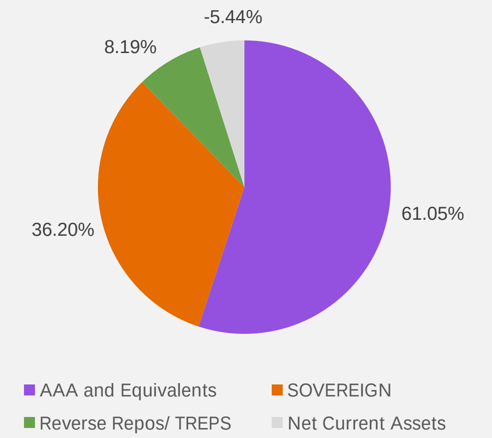
Investment Objective

- To deliver returns in the form of interest income and capital gains, along with high liquidity, commensurate with the current view on the markets and the interest rate cycle, through active investment in debt and money market instruments. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Quantitative Data

YTM$	7.72%
Average Maturity	4.71 years
Modified Duration	3.61 years
Macaulay Duration^	3.81 years

Rating Profile



HSBC Mutual Fund

HSBC Short Duration Fund (HSDF) (Erstwhile L&T Short Term Bond Fund)

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 please refer to the SID under the section "Asset Allocation Pattern"). A moderate interest rate risk and moderate credit risk. (HSBC Short Duration Fund has merged into L&T Short Term Bond Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Short Duration	Jalpan Shah and Shriram Ramanathan	NIFTY Short Duration Debt Index B-II	27 Dec 2011	Rs. 3,549.27 Cr

Why HSBC Short Duration Fund?

- Investors looking to invest in high credit quality debt fund with lower interest rate risk could consider investing in this fund
- The fund offers a prudent portfolio in line with the risk appetite of the investors whilst seeking optimal returns
- Demonstrated ability to identify value-buying opportunities and to reposition the portfolio basis evolving interest rate environment

Fund Strategy

- The scheme aims at generating regular returns through yield accrual while also capturing potential opportunities of capital appreciation
- Continues to maintain the highest credit quality, with 100% of the portfolio in AAA or equivalent securities
- Looks to take a measured duration exposure in order to strike a risk-return balance. Maximum residual maturity of any security (including Gsec) restricted to 5 years.
- Overweight Bonds and CDs in upto 2 years segments where corporate bond/CD spreads over sovereigns are higher
- Overweight Gilts and SDLs in 2 to 5 year segment where corporate bond spreads over sovereigns are lower

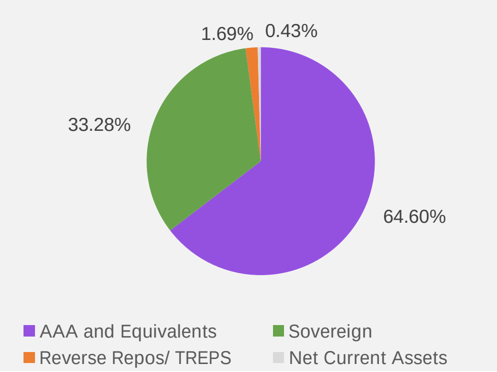
Investment Objective

- 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

Quantitative Data

YTM$	7.34%
Average Maturity	2.52 years
Modified Duration	2.15 years
Macaulay Duration^	2.28 years

Rating Profile



HSBC Mutual Fund

HSBC Ultra Short Duration Fund (Erstwhile L&T Ultra Short Term Fund)

Ultra Short Duration Fund - An open ended ultra-short term debt scheme investing in instruments such that the Macaulay Duration of the portfolio is between 3 - 6 months (for details on Macaulay's Duration please refer to SID under the section "Asset Allocation Pattern"). A Low interest rate risk and Moderate credit risk. (L&T Ultra Short Term Fund has merged into HSBC Ultra Short Duration Fund)

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Ultra Short Duration	Mahesh Chhabria and Jalpan Shah	NIFTY Ultra Short Duration Debt Index B-I	30 Jan 2020	Rs. 2,366.43 Cr

Why HSBC Ultra Short Duration Fund?

- The Fund would largely maintain high credit quality portfolio of securities with investment predominantly in securities that have high short term credit quality rating
- The security selection would be driven by investment team's view on credit spreads, liquidity and the risk reward assessment of each security
- The scheme would largely maintain high credit quality portfolio basis in-depth credit evaluation which includes financial position of the issuer, external credit ratings opinions, operational metrics, past track record as well as future prospects of the issuer

Fund Strategy

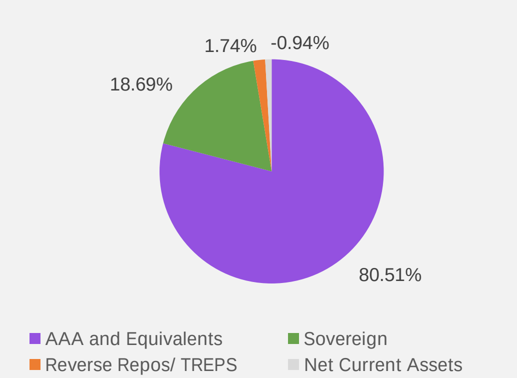
- Investment predominantly in highly liquid money market instruments, government securities and corporate debt
- The fund typically has a relatively higher portfolio average maturity as compared to liquid/cash fund
- The scheme continues to focus on high credit quality securities (100% AAA portfolio) and a liquid portfolio
- System liquidity has gone back in surplus due to Government spending and overnight rates are now around 6.25%-6.50%
- Overall, we remain neutral to positive on duration across HSBC Ultra-Short as liquidity is surplus and rate hikes may be at best limited.
- The focus continues to be on the accrual returns in the portfolio.

Investment Objective

- To provide liquidity and generate reasonable returns with low volatility through investment in a portfolio comprising of debt & money market instruments. However, there is no assurance that the investment objective of the scheme will be achieved.

Quantitative Data	
YTM$	7.17%
Average Maturity	5.28 Months
Modified Duration	4.93 Months
Macaulay Duration	5.27 Months

Rating Profile



HSBC Mutual Fund

HSBC Low Duration Fund (HLDF) (Erstwhile L&T Low Duration Fund)

Low Duration Fund – An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively low interest rate risk and moderate credit risk. (HSBC Low Duration Fund has merged into L&T Low Duration Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Low Duration	Shriram Ramanathan and Mahesh Chhabria	NIFTY Low Duration Debt Index B-I	04 Dec 2010	Rs. 443.15 Cr

Why HSBC Low Duration Fund?

- Appropriately positioned to provide a higher carry over the traditional money market category funds while maintaining adequate liquidity
- Rigorous credit selection process to spot mispriced credit opportunities.
- Given the portfolio quality, ample liquidity and carry over other funds, the fund is well positioned in the current market environment.

Fund Strategy

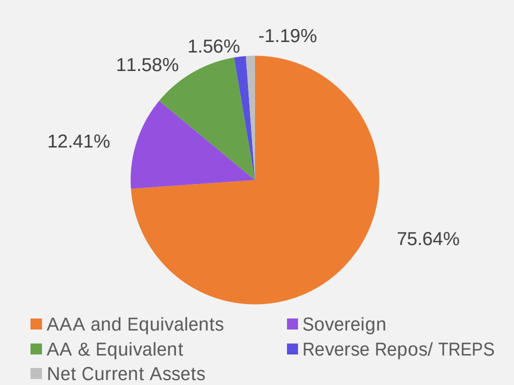
- Focus on generating returns through a yield-oriented and accrual based strategy
- Strong portfolio quality with a diversified mix of assets and adequate liquidity
- The fund has been positioned as an 85:15 rating mix strategy between AAA and non-AAA names.
- Moderate portfolio duration, while providing yield pickup.

Investment Objective

- The investment objective is to provide liquidity and reasonable returns by investing primarily in a mix of short term debt and money market instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Quantitative Data	
YTM$	7.42%
Average Maturity	14.11 Months
Modified Duration	9.58 Months
Macaulay Duration^	10.28 Months

Rating Profile



HSBC Mutual Fund

HSBC Corporate Bond Fund (HCBF) (Erstwhile L&T Triple Ace Bond Fund)

Corporate Bond Fund - An open-ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and relatively low credit risk.

Fund Category	Fund Manager	Benchmark [1, 2]	Inception Date	AUM
Corporate Bond	Jalpan Shah and Shriram Ramanathan	NIFTY Corporate Bond Index B-III	31 Mar 1997	Rs. 7,198.53 Cr

Why HSBC Corporate Bond Fund?

- The strategy offers best of both worlds – predictability of a close ended long-term FMP and the flexibility of an open-ended structure
- The fund offers an excellent replacement for tax free bonds, given the significant pickup in yield of HSBC Corporate Bond Fund (after adjusting for taxation) versus tax free bonds
- Minimal interest rate risk for investors staying in the fund for the entire tenor
- The fund's portfolio would carry a relatively low credit risk by virtue of its focus on investing predominantly in AAA rated credits
- To create a corpus through tax efficient inflation-adjusted returns

Fund Strategy

- HSBC Corporate Bond Fund follows a passive roll-down strategy targeting a maturity of July - Sept 2028, with 100% of the portfolio invested in AAA Corporate bonds and Government Securities
- The fund endeavors to remain invested in bonds of only AAA rated companies
- The fund aims to generate significant proportion of the total returns in the form of income yield from accrual of high quality credit

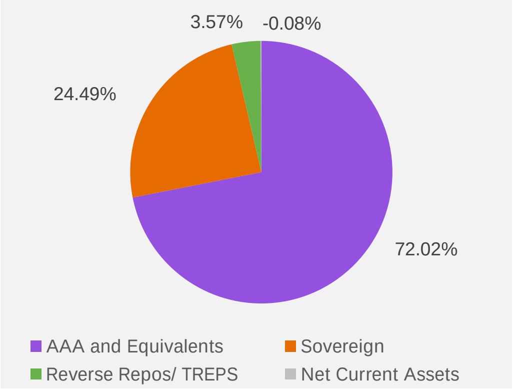
Investment Objective

- To generate regular return by investing predominantly in AA+ and above rated debt and money market instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns

Quantitative Data

YTM$	7.25%
Average Maturity	5.34 years
Modified Duration	4.13 years
Macaulay Duration	4.36 years

Rating Profile



HSBC Mutual Fund

HSBC Medium Duration Fund (HMDF) (Erstwhile L&T Resurgent India Bond Fund)

Medium Duration Fund - An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively high interest rate risk and moderate credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Medium Duration	Shriram Ramanathan and Kapil Lal Punjabi	NIFTY Medium Duration Debt Index B-III	2 Feb 2015	Rs. 697.35 Cr

Why HSBC Medium Duration Fund?

- Creating alpha by identifying pockets of value propositions, vis-à-vis yield curve steepness, attractive carry opportunities, elevated credit spreads, etc.
- Rigorous credit selection process to ensure good portfolio quality; Latest rating actions are stable/upward on the entire portfolio; Nil downgrades
- Demonstrated ability to strategically manage Duration in periods of volatile interest rates
- With interest rates consolidating at a higher level, a strategy combining a prudent mix of strategic Duration calls and Accrual product is well suited for investors with 3 year horizon
- Currently offers 50-60 bps over plain vanilla AAA bond funds, driven by niche positioning

Fund Strategy

- Aims at delivering yield pick up through judicious exposure to high quality/relatively less liquid space, while keeping adequate liquidity
- 80-85% of the portfolio in AAA or equivalent securities; Nil exposure to AA- and below rated names
- Almost 40% of portfolio exposure to Cash and G-Sec; adequate fire power available given the high proportion of G-Sec in the portfolio, to opportunistically evaluate deals with good yield pick up
- Strategic duration management in an Accrual product

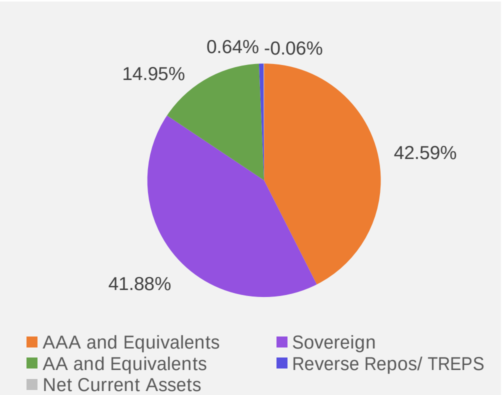
Investment Objective

- To seek to generate income by investing primarily in debt and money market securities. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM$	7.74%
Average Maturity	4.06 years
Modified Duration	3.11 years
Macaulay Duration^	3.25 years

Rating Profile



HSBC Mutual Fund

HSBC Banking & PSU Debt Fund (HBPF) (Erstwhile L&T Banking and PSU Debt Fund)

Banking and PSU Fund - An open ended debt scheme predominantly 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.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Banking and PSU Debt Fund	Mahesh Chhabria and Jalpan Shah	NIFTY Banking & PSU Debt Index	12 Sep 2012	Rs. 4,794.47 Cr

Why HSBC Banking & PSU Debt Fund?

- The scheme is ideally suited for investors seeking a very high portfolio quality and targeting higher tax-adjusted returns compared to traditional investment options over a 3 year period
- The fund offers a prudent portfolio considering the risk appetite whilst seeking optimal returns
- Markets have seen a sharp rise in short to medium term yields over the last few months; the ~3 year point on the curve offers good value
- HSBC Banking and PSU Debt Fund is predominantly positioned in the ~3 year segment to benefit from this move

Fund Strategy

- The Fund follows a passive roll-down strategy targeting Jan-Mar 2026 maturity, with majority of the securities in a +/- 1 year band of the target maturity
- The strategy offers best of both worlds – predictability of a close ended FMP and flexibility of an open-ended structure
- Continues to maintain the highest credit quality, with 100% of the portfolio in AAA or equivalent securities

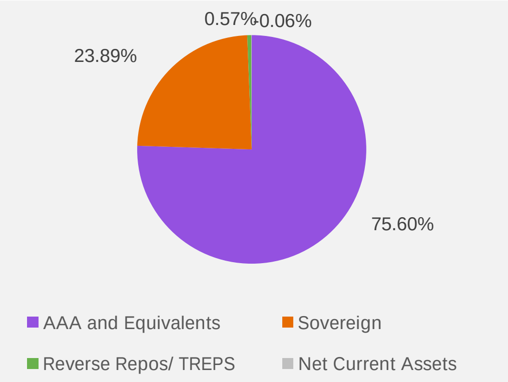
Investment Objective

- 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.

Quantitative Data

YTM$	7.27%
Average Maturity	2.87 years
Modified Duration	2.45 years
Macaulay Duration	2.6 years

Rating Profile



HSBC Mutual Fund

HSBC Credit Risk Fund (HCRF) (Erstwhile **L&T Credit Risk Fund**)

Credit Risk Fund - An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds). A relatively high interest rate risk and relatively high credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Credit Risk	Shriram Ramanathan and Kapil Lal Punjabi	NIFTY Credit Risk Bond Index C-III	8 Oct 2009	Rs. 136.14 Cr

Why HSBC Credit Risk Fund?

- Fund follows an accrual-based, yield-enhancement strategy
- Low portfolio turnover to help generate returns through accrual
- Robust credit selection process to spot mispriced credit opportunities
- Investors comfortable with adding some credit risk to generate higher accrual while keeping interest rate risk low, could consider investing in this fund

Fund Strategy

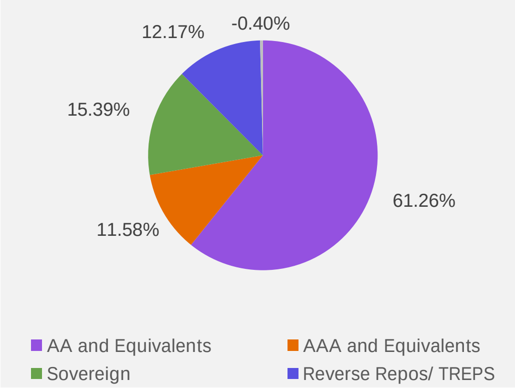
- The fund offers a yield pick up over traditional bond funds and has the potential to deliver outperformance over the medium term
- Rigorous credit monitoring conducted by in-house credit research team
- To create a corpus through generating inflation-adjusted returns

Investment Objective

- To generate regular returns and capital appreciation by investing predominantly in AA and below rated corporate bonds, debt, government securities and money market instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data	
YTM$	7.64%
Average Maturity	1.72 years
Modified Duration	1.4 years
Macaulay Duration	1.47 years

Rating Profile



HSBC Mutual Fund

HSBC Money Market Fund (HMMF) (Erstwhile L&T Money Market Fund)

Money Market Fund - An open ended debt scheme investing in money market instruments. Relatively Low interest rate risk and Moderate credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Money Market	Kapil Lal Punjabi Lal and Shriram Ramanathan	Nifty Money Market Index B-I	10 Aug 2005	Rs. 894.45 Cr

Why HSBC Money Market Fund?

- The scheme looks to position into maturity buckets to extract maximum value along the money market yield curve
- Low interest rate risk, given that maturity of instruments are below 1 year

Fund Strategy

- Aims to selectively invest in higher yielding-good quality credits, while also maintaining adequate portfolio liquidity.
- Current investment is in mix of T-Bills, CDs and CPs maturing between January to March 2024 with an aim to ride the steepness of money market curve
- To create a corpus through generating risk-adjusted returns

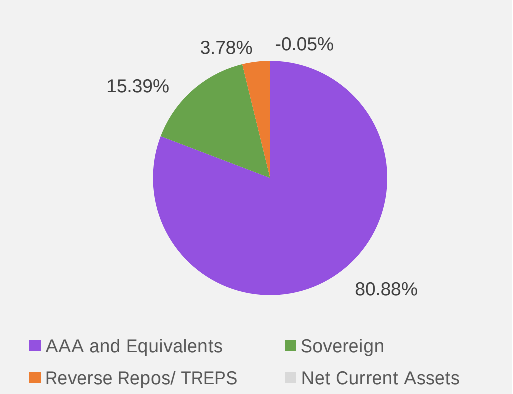
Investment Objective

- The primary objective of the Scheme is to generate regular income through investment in a portfolio comprising substantially of money market instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM$	7.24%
Average Maturity	246.88 Days
Modified Duration	246.88 Days
Macaulay Duration	246.88 Days

Rating Profile



HSBC Mutual Fund

HSBC Gilt Fund (HGIF) (Erstwhile L&T Gilt Fund)

Gilt Fund - An open ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Gilt	Jalpan Shah and Shriram Ramanathan	Nifty All Duration GSec Index	29 Mar 2000	Rs. 229.88 Cr

Why HSBC Gilt Fund?

- The fund aims to generate alpha through active duration management
- Invests predominantly in sovereign instruments and hence has minimal credit risk
- Irrespective of the interest rate cycle, the fund through active duration management and aggressive cash calls along with dynamic asset allocation has generated positive returns from even the lowest interest rates in the cycle
- The fund is ideal for investors seeking appropriate risk adjusted returns in a volatile interest rate environment.
- In the current scenario where interest rates are nearing the peak in this cycle, there are opportunities to capture alpha through strategic overweight duration in this fund.

Fund Strategy

- Actively managed fund investing across the yield curve in Govt. Securities and SDLs to generate alpha
- Dynamic duration management to seize potential upsides when interest rates are expected to soften while also reducing risks in an uncertain environment
- Investments in a highly liquid portfolio so as to enable positioning changes based on evolving scenario.
- Overweight duration through higher allocation in 7-10 year part of the yield curve.

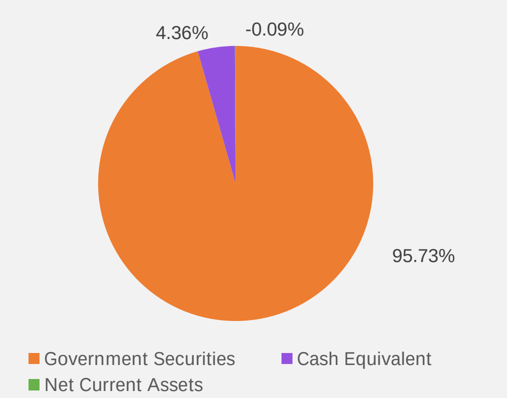
Investment Objective

- To generate returns from a portfolio from investments in Government Securities. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM$	7.04%
Average Maturity	5.92 years
Modified Duration	4.48 years
Macaulay Duration	4.64 years

Rating Profile



HSBC Mutual Fund

HSBC Medium to Long Duration Fund (HMLF) (Erstwhile HSBC Debt Fund)

Medium to Long Duration Fund - An open-ended medium to long term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 years to 7 years (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively high interest rate risk and moderate credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Medium to Long Duration	Jalpan Shah and Shriram Ramanathan	NIFTY Medium to Long Duration Debt Index B-III	10 Dec 2002	Rs. 43.26 Cr

Why HSBC Medium to Long Duration Fund?

- Investing in instruments such that the Macaulay Duration of the portfolio is between 4 years to 7 years
- In the current scenario where interest rates are nearing the peak in this cycle, there are opportunities to capture alpha through strategic overweight duration in this fund.

Fund Strategy

- Actively managed fund investing across the yield curve in Govt. Securities and high quality AAA rated credits to generate alpha. The portfolio Macaulay duration of the portfolio is above 4 years
- Dynamic duration management to seize potential upsides when interest rates are expected to soften while also reducing risks in an uncertain environment
- The entire portfolio is invested in Gsecs as corporate bonds spreads in > 5 year bonds over Gsecs are very low.
- Investments in a highly liquid portfolio so as to enable positioning changes based on evolving market scenario.
- Overweight duration through higher allocation in 5-7 year part of the yield curve.

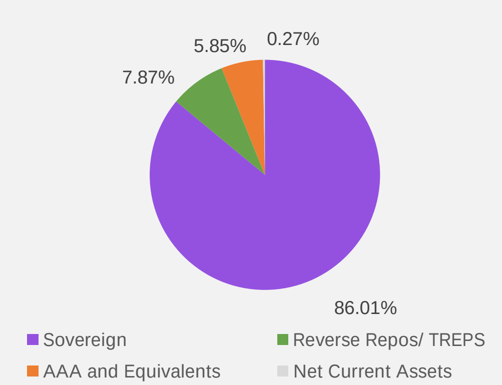
Investment Objective

- To provide a reasonable income through a diversified portfolio of fixed income securities such that the Macaulay duration of the portfolio is between 4 years to 7 years.

Quantitative Data

YTM$	7.09%
Average Maturity	6.27 years
Modified Duration	4.71 years
Macaulay Duration^	4.89 years

Rating Profile



HSBC Mutual Fund

HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund (HGSF)

Index Fund - An open-ended Target Maturity Index Fund tracking CRISIL IBX 50:50 Gilt Plus SDL Index April 2028. Relatively High interest rate risk and Low credit risk.

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Index Fund	Ritesh Jain and Kapil Lal Punjabi	CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index	31 March 2022	Rs. 2248.75 Cr

Why HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund ?

- HGSF invests in the constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028
- The fund aims to track the index performance and aims to offer liquidity
- Invests in 50:50 proportion of quality G-Sec and SDL papers
- Offers relatively low credit risk by investments in G-Sec and SDL
- A roll down fund strategy to take benefits of better yields
- Regular liquidity with open ended nature of the fund and no exit load
- The fund focuses on 5-6 year point of the yield curve
- The roll down strategy can result in capital gains over medium term once interest rate cycle peaks out
- Attractive yield for 5-6 year offers adequate carry and roll down which could lead to lower volatility over medium term holding period versus longer duration

Fund Strategy

- The mandate of the target maturity fund is to invest in line with the index constituent's.
- The aim is to replicate underlying index minimizing the tracking error.
- Currently the allocation to G-sec is higher at ~ 55% seeking for an opportunity to align it with underlying composition at a relatively fair spread.

Investment Objective

- The investment objective of the Scheme is to provide returns corresponding to the total returns of the securities as represented by the CRISIL IBX 50:50 Gilt Plus SDL Index April 2028 before expenses, subject to tracking errors. However, there is no assurance that the investment objective of the Scheme will be achieved.

HSBC Mutual Fund

HSBC Conservative Hybrid Fund (HCHF) (Erstwhile L&T Regular Savings Fund)

Conservative Hybrid Fund- An open ended Hybrid Scheme investing predominantly in debt instruments. L&T Conservative Hybrid Fund has merged into HSBC Regular Savings Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark	Inception Date	AUM
Conservative Hybrid	Ritesh Jain and Cheenu Gupta	NIFTY 50 Hybrid Composite Debt 15:85 Index	24 Feb 2004	Rs. 114.78 Cr

Why HSBC Conservative Hybrid Fund?

- The Scheme shall invest in debt and money market instruments and would seek to generate regular returns
- The scheme may also invest in equity and equity related instruments to seek capital appreciation
- A top down and bottom up approach will be used to invest in equity and equity related instruments
- To create a corpus through generating inflation-adjusted returns

Fund Strategy

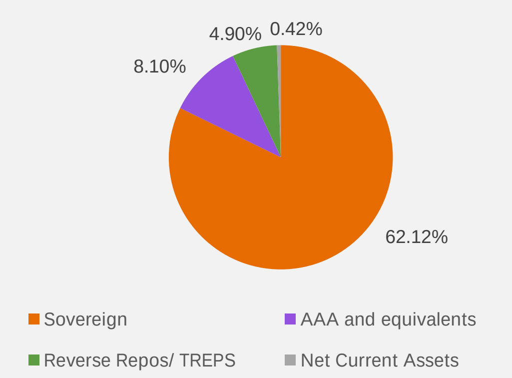
- While 2H borrowing calendar was on expected lines, the bond supply as such remains heavy and absorption of this bond supply in remainder of FY 23 may exercise upward pressure on yields at the belly and longer end of the curve
- The segment may stay volatile based on global cues
- And hence as such, we intend to position with an underweight stance in the long bond portfolios versus the index and intend to take advantage tactically of any opportunities that may arise on the longer end of the curve depending on market conditions

Investment Objective

- To seek generation of reasonable returns through investments in debt and money market Instruments. The secondary objective of the Scheme is to invest in equity and equity related instruments to seek capital appreciation. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

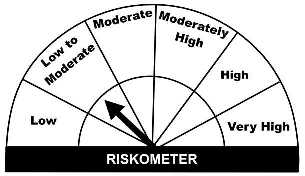
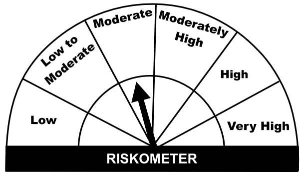
YTM$	7.02%
Average Maturity	3.36 years
Modified Duration	2.81 years
Macaulay Duration^	2.92 years

Rating Profile



HSBC Mutual Fund

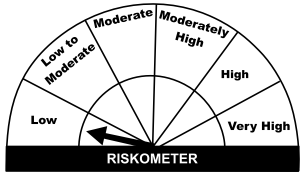
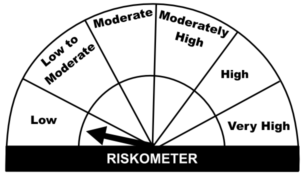
Product Label

HSBC Liquid Fund (Erstwhile HSBC Cash Fund)		
 Investors understand that their principal will be at Low to Moderate risk	**Liquid Fund -** An open-ended Liquid Scheme. A relatively low interest rate risk and moderate credit risk **This product is suitable for investors who are seeking*:** • Overnight liquidity over short term • Investment in Money Market Instruments * 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. **Note on Risk-o-meters:** Riskometer is as on May 31, 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	**Benchmark Index: Nifty Liquid Index B-I** 

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

All data as of May 31, 2023.

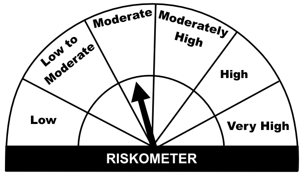
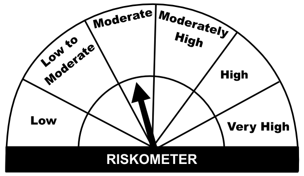
Product Label

HSBC Overnight Fund		
 Investors understand that their principal will be at Low risk	**Overnight fund** – An open ended debt scheme investing in overnight securities. Relatively Low interest rate risk and relatively Low credit risk. **This product is suitable for investors who are seeking*:** • Income over short term and high liquidity • Investment in debt & money market instruments with overnight maturity * 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. **Note on Risk-o-meters:** Riskometer is as on May 31, 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	**Benchmark Index: NIFTY 1D Rate Index** 

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.			

All data as of May 31, 2023.

Product Label

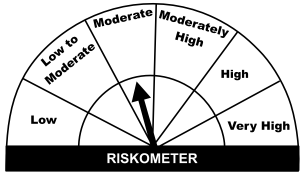
HSBC Dynamic Bond Fund (Erstwhile L&T Flexi Bond Fund)		
 Investors understand that their principal will be at Moderate risk	**Dynamic Bond Fund** - An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk. **This product is suitable for investors who are seeking*:** • Generation of reasonable returns over medium to long term • Investment in fixed income securities * 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. **Note on Risk-o-meters:** Riskometer is as on May 31, 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	**Benchmark Index: NIFTY Composite Debt Index A-III** 

Potential Risk Class (HSBC Dynamic Bond 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.			

All data as of May 31, 2023.

Product Label

HSBC Short Duration Fund (Erstwhile L&T Short Term Bond Fund)



Investors understand that their principal will be at Moderate risk

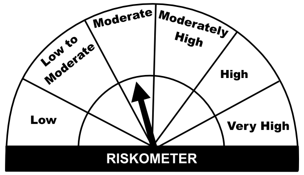
Short Duration Fund - An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years for details on Macaulay's Duration please refer to SID under the section "Asset Allocation Pattern"). A moderate interest rate risk and moderate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

This product is suitable for investors who are seeking*:

- Generation of regular returns over short term
- Investment in fixed income securities of shorter term maturity.

* 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.
Note on Risk-o-meters: Riskometer is as on May 31, 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

Benchmark Index: Nifty Short Duration Debt Index B-II

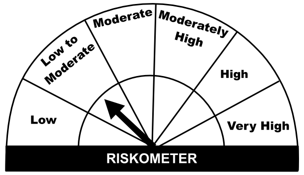


Potential Risk Class (HSBC Short Duration Fund)			
Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)		B-II	
Relatively High (Class III)			
A Scheme with Relatively Moderate interest rate risk and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

All data as of May 31, 2023.

Product Label

HSBC Ultra Short Duration Fund



Investors understand that their principal will be at Low to Moderate risk

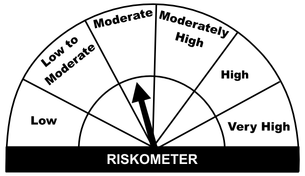
Ultra Short Duration Fund - An open ended ultra-short term debt scheme investing in instruments such that the Macaulay Duration of the portfolio is between 3 months to 6 months. Please refer Page No. 10 of the SID for explanation on Macaulay's duration. A relatively Low interest rate risk and Moderate credit risk.

This product is suitable for investors who are seeking*:

- Income over short term with low volatility.
- Investment in debt & money market instruments such that the Macaulay Duration of the portfolio is between 3 months- 6 months.^

* 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.
Note on Risk-o-meters: Riskometer is as on May 31, 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

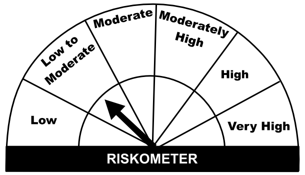
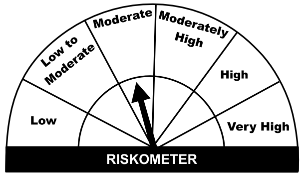
Benchmark Index: NIFTY Ultra Short Duration Debt Index B-I



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

All data as of May 31, 2023.

Product Label

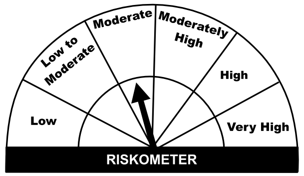
HSBC Low Duration Fund (Erstwhile L&T Low Duration Fund)		
 Investors understand that their principal will be at Low to Moderate risk	**Low Duration Fund** - An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months (for details on Macaulay's Duration please refer to SID under the section "Asset Allocation Pattern"). A relatively low interest rate risk and moderate credit risk. **This product is suitable for investors who are seeking*:** • Liquidity over short term • Investment in Debt / Money Market Instruments such that the Macaulay^ duration of the portfolio is between 6 months to 12 months * 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. **Note on Risk-o-meters:** Riskometer is as on May 31, 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	**Benchmark Index: NIFTY Low Duration Debt Index B-I** 

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

All data as of May 31, 2023.

Product Label

HSBC Corporate Bond Fund (Erstwhile L&T Triple Ace Bond Fund)



Investors understand that their principal will be at Moderate risk

Corporate Bond Fund - An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and relatively low credit risk.

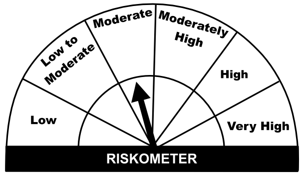
This product is suitable for investors who are seeking*:

- Generation of regular and stable income over medium to long term
- Investment predominantly in AA+ and above rated corporate bonds and money market instruments

- 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 May 31, 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

Benchmark Index: NIFTY Corporate Bond Index B-III



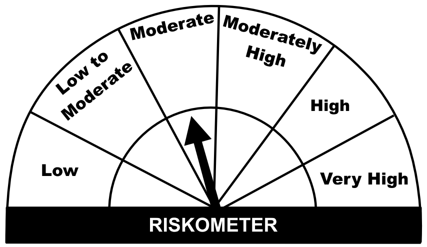
Potential Risk Class (HSBC Corporate Bond Fund)			
Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		
A Scheme with Relatively High interest rate risk and Low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

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.

All data as of May 31, 2023.

Product Label

HSBC Medium Duration Fund (Erstwhile L&T Resurgent India Bond Fund)



Investors understand that their principal will be at Moderate risk

Medium Duration Fund - An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively high interest rate risk and moderate credit risk.

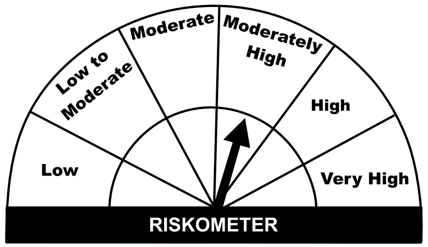
This product is suitable for investors who are seeking*:

- Generation of income over medium term
- Investment primarily in debt and money market securities

* 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.

Note on Risk-o-meters: Riskometer is as on May 31, 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

Benchmark Index: NIFTY Medium Duration Debt Index B-III

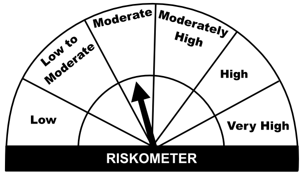


Potential Risk Class (HSBC Medium Duration Fund)			
Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	
A Scheme with Relatively High interest rate risk and Moderate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

All data as of May 31, 2023.

Product Label

HSBC Banking & PSU Debt Fund (Erstwhile L&T Banking and PSU Debt Fund)



Investors understand that their principal will be at Moderate risk

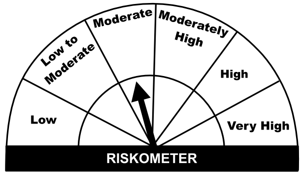
Banking and PSU Fund - An open-ended debt scheme primarily investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high interest rate risk and relatively low credit.

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

* 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 May 31, 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

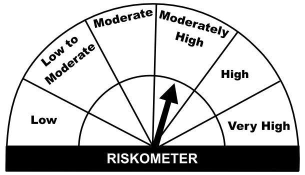
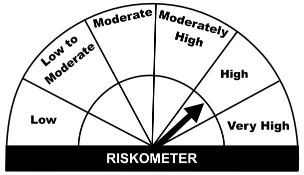
Benchmark Index: NIFTY Banking & PSU Debt Index



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.			

All data as of May 31, 2023.

Product Label

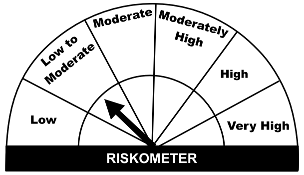
HSBC Credit Risk Fund (Erstwhile L&T Credit Risk Fund)		
 Investors understand that their principal will be at Moderately High risk	**Credit Risk Fund -** An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+rated corporate bonds). A relatively high interest rate risk and relatively high credit risk. **This product is suitable for investors who are seeking*:** • Generation of regular returns and capital appreciation over medium to long term • Investment in debt instruments (including securitized debt), government and money market securities * 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. **Note on Risk-o-meters:** Riskometer is as on May 31, 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	**Benchmark Index: NIFTY Credit Risk Bond Index C-III** 

Potential Risk Class (HSBC Credit Risk 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)			C-III
A Scheme with Relatively High interest rate risk and High credit risk.			

All data as of May 31, 2023.

Product Label

HSBC Money Market Fund (Erstwhile L&T Money Market Fund)



Investors understand that their principal will be at Low to Moderate risk

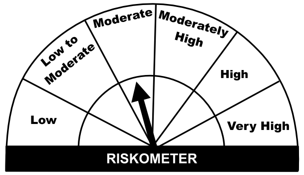
An open ended debt scheme investing in money market instruments. Relatively Low interest rate risk and Moderate credit risk.

This product is suitable for investors who are seeking*:

- Generation of regular income over short to medium term
- Investment in money market instruments

* 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.
Note on Risk-o-meters: Riskometer is as on May 31, 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

Benchmark Index: Nifty Money Market Index B-I

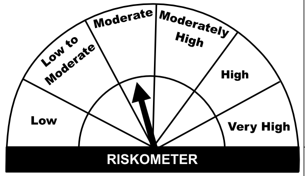


Potential Risk Class (HSBC Money Market Fund)			
Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			
A Scheme with Relatively Low interest rate risk and Moderate credit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

All data as of May 31, 2022.

Product Label

HSBC Gilt Fund (Erstwhile L&T Gilt Fund)



Investors understand that their principal will be at Low to Moderate risk

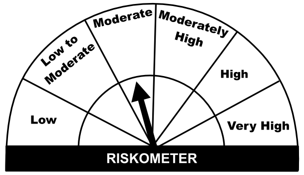
Gilt Fund - An open ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk.

This product is suitable for investors who are seeking*:

- Generation of returns over medium to long term
- Investment in Government Securities

* 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.
Note on Risk-o-meters: Riskometer is as on May 31, 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

Benchmark Index: NIFTY All Duration G-Sec Index

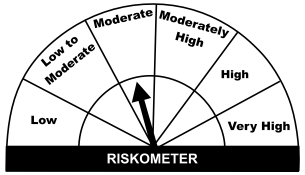


Potential Risk Class (HSBC Gilt Fund)			
Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		
A Scheme with Relatively High interest rate risk and Low credit risk.			

All data as of May 31, 2023.

Product Label

HSBC Medium to Long Duration Fund (Erstwhile HSBC Debt Fund)



Investors understand that their principal will be at Moderate risk

Medium to Long Duration Fund - An open ended medium to long term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 years to 7 years (for details on Macaulay's Duration please refer to SID under the section "Asset Allocation Pattern"). Relatively high interest rate risk and moderate credit risk.

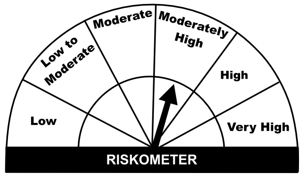
This product is suitable for investors who are seeking*:

- Regular income over medium term
- Investment in diversified portfolio of fixed income securities such that the Macaulay^ duration of the portfolio is between 4 year to 7 years

* 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.

Note on Risk-o-meters: Riskometer is as on May 31, 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

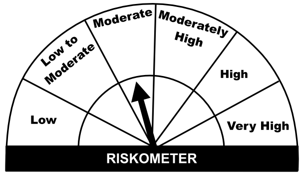
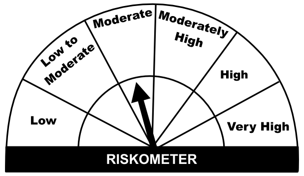
Benchmark Index: NIFTY Medium to Long Duration Debt Index B-III



Potential Risk Class (HSBC Medium to Long Duration 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)		B-III	
A Scheme with Relatively High interest rate risk and Moderate credit risk.			

All data as of May 31, 2023.

Product Label

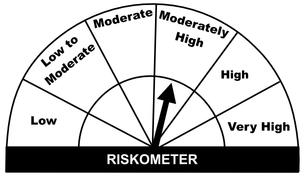
HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund		
 Investors understand that their principal will be at Moderate risk	**Index Fund -** An open-ended Target Maturity Index Fund tracking CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028. Relatively High interest rate risk and Low credit risk. **This product is suitable for investors who are seeking*:** • Income over target maturity period • Investment in constituents similar to the composition of CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028 * 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 May 31, 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	**Benchmark Index: CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028** 

HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index 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)	AIII		
A Scheme with Relatively High interest rate risk and Low 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.
Source: HSBC Asset Management India, Bloomberg, For illustration purpose only. For complete details on the index refer to SID. Past performance may or may not sustained in the future

All data as of May 31, 2023.

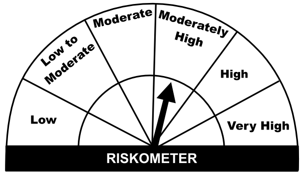
Product Label

<table>
<tr><th colspan="3">HSBC Conservative Hybrid Fund (Erstwhile HSBC Regular Savings Fund)</th></tr>
<tr>
<td>

Investors understand that their principal will be at Moderately High risk</td>
<td>Conservative Hybrid Fund– An open ended hybrid scheme investing predominantly in debt instruments.

This product is suitable for investors who are seeking*:

• Investment in fixed income (debt and money market instruments) as well as equity and equity related securities
• Capital appreciation over medium to long term

* 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 May 31, 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</td>
<td>Benchmark Index: NIFTY 50 Hybrid Composite Debt 15:85 Index

</td>
</tr>
</table>

All data as of March 31, 2023.

Annexure

Disclaimer

HSBC Asset Management

The above information is for illustrative purpose only and it should not be considered as investment research, investment recommendation or advice to any reader of this content to buy or sell investments. Various index and their constituents and other companies discussed in this document are for illustrative purpose only for explaining the concepts stated in this presentation and it should not be considered as investment research, investment recommendation or advice to any reader of this content to buy or sell investments.

This document has been prepared by HSBC Asset Management (India) Private Limited (HSBC) for information purposes only with an intent to provide market overview and should not be construed as an offer or solicitation of an offer for purchase of any of the funds of HSBC Mutual Fund. All information contained in this document (including that sourced from third parties), is obtained from sources, which HSBC/ third party, believes to be reliable but which it has not been independently verified by HSBC/ the third party. Further, HSBC/ the third party makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy or completeness of such information. The information and opinions contained within the document are based upon publicly available information and rates of taxation applicable at the time of publication, which are subject to change from time to time. Expressions of opinion are those of HSBC only and are subject to change without any prior intimation or notice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies that may have been discussed or recommended in this report and should understand that the views regarding future prospects may or may not be realized. Neither this document nor the units of HSBC Mutual Fund have been registered in any jurisdiction. The distribution of this document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. .

This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person do so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

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

HSBC Asset Management (India) Private Limited, 9-11 Floors, NESCO IT Park, Building no. 3, Western Express Highway, Goregaon (East), Mumbai – 400 063, India.
Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co.in CL 212