

Product Note

HSBC Short Term 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. A Moderate interest rate risk and Relatively Low credit risk.)

September 2026

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM ³ &
Short Term Fund	Mohd Asif Rizwi and Shriram Ramanathan	NIFTY Short Duration Debt Index A-II	27 Dec 2011	Rs. 3,869.86 Cr

Quantitative Data		Minimum Investment		
Average Maturity	2.50 Years	Lumpsum ₹ 5,000	SIP ₹ 500	Additional Purchase ₹ 1,000
Modified Duration	2.03 Years			
Macaulay Duration [^]	2.15 Years			
Yield to Maturity	7.45%			

Why HSBC Short Term 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

Month End Base Expenses Ratios (Annualized)³

Plan	Base Expense Ratio (BER)
Regular ⁴	0.59%
Direct	0.27%

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. Furthermore, the same is effective from 01 December 2021.

² AUM is as on 31 August 2026.

³ 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). ⁴ Continuing plans.

⁸For 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>

[^]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).

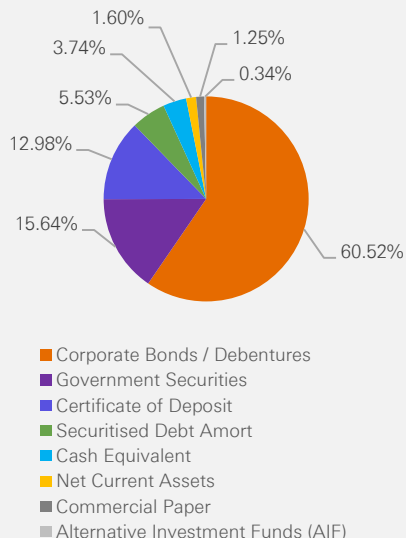
Source – HSBC Mutual Fund, Data as of 31 August 2026. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

Portfolio

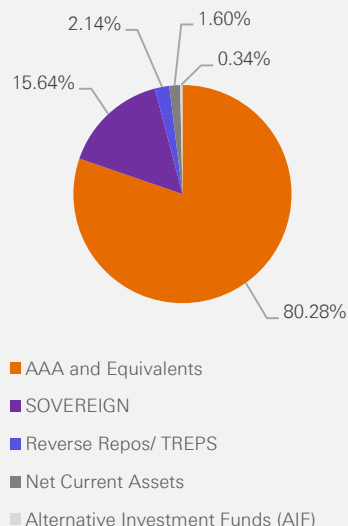
Issuer	Rating	% to Net Assets
Corporate Bonds / Debentures		60.52%
NABARD	CRISIL AAA / ICRA AAA	7.48%
SIDBI	CRISIL AAA	4.48%
Bajaj Finance Limited	CRISIL AAA	4.15%
Bharti Telecom Limited	CRISIL AAA	4.12%
Embassy Office Parks REIT	CRISIL AAA	4.03%
Bajaj Housing Finance Ltd	CRISIL AAA	3.94%
NTPC Limited	CRISIL AAA	2.73%
REC Limited	CRISIL AAA / ICRA AAA	3.50%
Kotak Mahindra Prime Limited	CRISIL AAA	2.59%
Power Finance Corporation Limited	CRISIL AAA	2.52%
Reliance Industries Limited	CRISIL AAA	2.40%
Indian Railway Finance Corporation Ltd	CRISIL AAA	2.34%
Hindustan Zinc Limited	CRISIL AAA	2.00%
Sundaram Finance Limited	CRISIL AAA	1.96%
Mindspace Business Parks REIT	CRISIL AAA / ICRA AAA	2.85%
Larsen & Toubro Limited	CRISIL AAA	1.46%
Tata Capital Ltd	CRISIL AAA	1.31%
National Highways Authority of India	CRISIL AAA	1.30%
UltraTech Cement Limited	CRISIL AAA	1.29%
National Housing Bank	CARE AAA / IND AAA	1.82%
LIC Housing Finance Limited	CRISIL AAA	0.95%
Jio Credit Limited	CRISIL AAA	0.66%
Mahindra & Mahindra Financial Serv Ltd.	CRISIL AAA	0.66%
Money Market Instruments		
Certificate of Deposit		12.98%
Punjab National Bank	CRISIL A1+ / CARE A1+	3.75%
Indian Bank	CRISIL A1+	2.38%
Kotak Mahindra Bank Limited	CRISIL A1+	1.26%
Bank of Baroda	IND A1+ / CARE A1+	2.50%
Canara Bank	CRISIL A1+	1.25%
SIDBI	CARE A1+	1.21%
Union Bank of India	ICRA A1+	0.62%
Commercial Paper		1.25%
EXIM Bank	CRISIL A1+	1.25%
Securitised Debt Amort		5.53%
Shivshakti Securitisation Trust (PTC of loan pool from Mukesh Ambani group entity)	CRISIL AAA(SO)	2.67%
Radhakrishna Securitisation Trust (PTC of loan pool from Mukesh Ambani group entity)	CRISIL AAA(SO)	1.14%
India Universal Trust AL2 PTC (PTC of pools from HDFC Bank Limited)	CRISIL AAA(SO)	0.71%
Siddhivinayak Securitisation Trust (PTC of loan pool from Mukesh Ambani group entity)	CRISIL AAA(SO)	0.64%
India Universal Trust AL1 PTC (PTC of pools from HDFC Bank Limited)	IND AAA(SO)	0.37%



Asset Allocation



Rating Portfolio



*Portfolio has 8.14% exposure to Interest Rate Swaps

Government Securities		15.64%
6.94% GOI 11-May-2036	SOVEREIGN	3.30%
6.68% GOI 27-Jan-2033	SOVEREIGN	2.20%
6.8% Tamil Nadu SDL - 02-Jul-2035	SOVEREIGN	1.49%
7.72% Maharashtra SDL - 23-Mar-2032	SOVEREIGN	1.36%
7.16% Karnataka SDL - 08-Jan-2030	SOVEREIGN	1.31%
7.02% Gujarat SDL - 11-Feb-2031	SOVEREIGN	1.29%
6.54% Tamil Nadu SDL - 25-Feb-2029	SOVEREIGN	1.28%
7.49% Maharashtra SDL - 12-Apr-2030	SOVEREIGN	1.08%
6.36% GOI 16-Feb-2031	SOVEREIGN	1.03%
7.63% Maharashtra SDL - 27-Aug-2039	SOVEREIGN	0.78%
7.06% GOI 27-Jul-2041	SOVEREIGN	0.52%
Alternative Investment Funds (AIF)		0.34%
Corp Debt Mkt Develop Fund (SBI AIF Fund)	AIF	0.34%
Cash Equivalent		3.74%
TREPS*		2.14%
Net Current Assets		1.60%
Total Net Assets as on 31-August-2026		100.00%

*TREPS : Tri-Party Repo fully collateralized by G-Sec
Portfolio has 8.14% exposure to Interest Rate Swaps

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 - Mahesh Chhabria Effective 26 Nov 2022. Total Schemes Managed - 14
Fund Manager - Rahul Totla Effective 01 Jan 2026. Total Schemes Managed - 3

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 ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	
HSBC HSBC Short Term Fund - Regular Plan ⁶⁻⁻⁻	10011	7.00	10018	4.87	10054	6.55	10198	7.92	10341	6.84	27-Dec-11
Scheme Benchmark (NIFTY Short Duration Debt Index A-II)	10011	6.69	10022	5.76	10059	7.15	10202	8.06	10358	7.19	
Additional Benchmark (CRISIL 10 year Gilt Index)	10011	6.62	10023	6.16	10063	7.69	10210	8.40	10380	7.63	
HSBC HSBC Short Term Fund - Direct Plan ⁶⁻⁻⁻	10557	5.54	12360	7.31	13467	6.13	19558	6.93	27120	7.57	01-Jan-13
Scheme Benchmark (NIFTY Short Duration Debt Index A-II)	10489	4.87	12155	6.72	13277	5.83	18974	6.61	26076	7.26	
Additional Benchmark (CRISIL 10 year Gilt Index)	10302	3.00	12079	6.49	12866	5.17	17564	5.79	23195	6.35	

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 August 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.~ Face value Rs 10
Returns for Debt schemes has been calculated as on last business day NAV provided as on 31 August 2026.

⁶HSBC Short Term 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 31 August 2026

[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>HSBC Short Term Fund</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. A Moderate interest rate risk and Relatively Low credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">• Generation of regular returns over short term• Investment in fixed income securities of shorter-term maturity.	 <p>The risk of the scheme is Moderate Risk</p>	<p>As per AMFI Tier 1. Benchmark Index: NIFTY Short Duration Debt Index A-II</p>  <p>The risk of the benchmark is Low to Moderate 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 31 August 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 Short Term Fund)

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

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 August 2026

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