

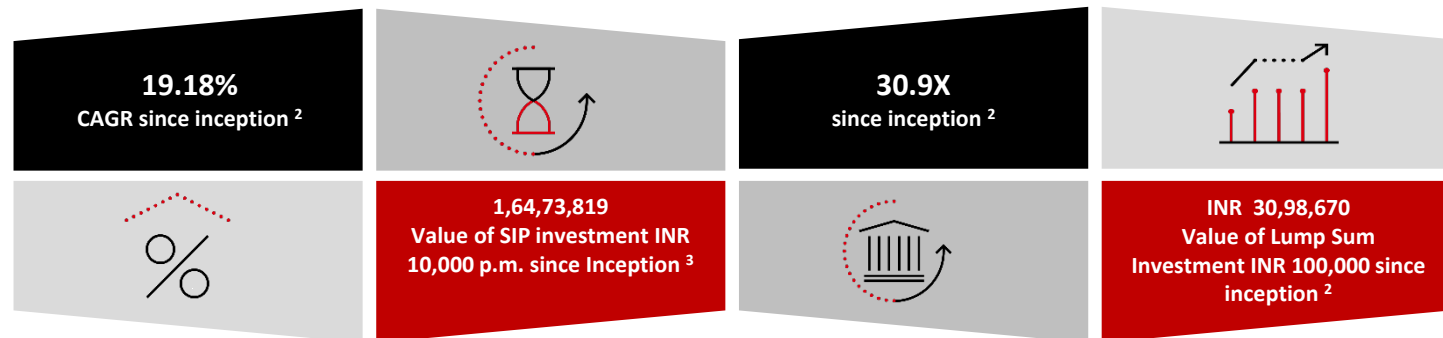
## Product Note

### HSBC Midcap Fund (HMCF)

An open ended equity scheme predominantly investing in mid cap stocks.

March 2024

Fund Category	Fund Manager	Benchmark <sup>1</sup>	Inception Date	AUM <sup>&amp;</sup>
Midcap Fund	Mr. Venugopal Manghat <sup>@</sup> , Cheenu Gupta and Sonal Gupta <sup>#</sup>	NIFTY Midcap 150 TRI	9 Aug 2004	Rs. 9724.77 Cr



Portfolio	% to net assets
Sundaram Finance Limited	3.19%
Ratnamani Metals & Tubes Limited	2.89%
Power Finance Corporation Limited	2.66%
Bosch Limited	2.59%
Cummins India Limited	2.51%
Godrej Properties Limited	2.45%
IPCA Laboratories Limited	2.39%
Lupin Limited	2.36%
Multi Commodity Exchange of India Limited	2.33%
AIA Engineering Limited	2.33%

Risk Ratios <sup>4</sup>	
Standard Deviation	12.36%
Beta	0.77

Sector - Allocation	% to net assets
Industrial Products	12.42%
Pharmaceuticals & Biotechnology	12.00%
Finance	8.64%
Auto Components	6.16%
Banks	5.94%
Realty	5.37%
IT - Software	4.96%
Capital Markets	4.38%
Cement & Cement Products	3.23%
Healthcare Services	3.03%

Risk Ratios <sup>4</sup>	
Sharpe Ratio <sup>5</sup>	1.14
R2	0.89

**Entry Load\***: Not Applicable, **Exit Load**: If the units redeemed or switched out are upto 10% of the units purchased or switched in ("the limit") within 1 year from the date of allotment – Nil, If units redeemed or switched out are over and above the limit within 1 year from the date of allotment – 1%, If units are redeemed or switched out on or after 1 year from the date of allotment – Nil, A switch-out or a withdrawal under SWP may also attract an Exit Load like any Redemption. No Exit load will be chargeable in case of switches made between different options of the Scheme. No Exit load will be chargeable in case of Units allotted on account of IDCW reinvestments, if any. Exit load is not applicable for Segregated Portfolio.

\* In terms of 10.4.1.a. of SEBI Master Circular on Mutual Funds dated May 19, 2023, no entry load will be charged to the investor.

**Month End Total Expenses Ratios (Annualized)**<sup>6</sup> – Regular<sup>7</sup>: 1.76%, Direct: 0.68%

<sup>1</sup> As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, 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 29 February 2024 of Growth option regular plan. During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available. Please refer page no. 3 for detailed performance of HSBC Mid Cap Fund.

<sup>3</sup> During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available.

<sup>4</sup> Quantitative Data disclosed are as per monthly returns (Annualized) for the last 3 years.

<sup>5</sup> Risk free rate: 6.80% (FIMMDA-NSE Mibor) Refer to the Fund's website, [www.assetmanagement.hsbc.co.in](http://www.assetmanagement.hsbc.co.in) for monthly portfolio disclosures.

<sup>6</sup> TER Annualized TER including GST on Investment Management Fees

<sup>7</sup> Continuing plans

<sup>@</sup> Managing since October 01, 2023. Please refer notice cum addendum dated September 29, 2023.

<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 29 February 2024. **Past performance may or may not be sustained in the future and is not indicative of future results.**

Did you know that midcap stocks may have the potential to generate alpha in the long run.

## Why HSBC Midcap Fund?

- To seek an exposure in mid cap segment stocks which may have alpha generating opportunities in long run
- A top down and bottom up approach will be used to invest in equity and equity related instruments
- Aims to create a corpus through generating inflation-adjusted returns to help cater to long-term goals

## Fund Approach

- The fund manager actively looks out to identify opportunities in the midcap space arising out of macroeconomic dynamics, new reforms and policies, etc.
- It has a long term track record and potential for alpha generation for investors that have patience to stay invested for the long term
- The fund follows robust risk management practice to manage and mitigate risks, especially the ones specific to midcap segment of the market for e.g. Liquidity

## Investment Objective

To seek to generate long-term capital growth from an actively managed portfolio of equity and equity related securities of predominantly mid cap companies. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Fund Manager - Venugopal Manghat Effective 01 October 2023. Total Schemes Managed - 6; Fund Manager - Cheenu Gupta Effective 26 Nov 2022. Total Schemes Managed - 9;  
Fund Manager - Sonal Gupta Effective 26 Nov 2022. Total Schemes Managed - 16

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 %	09-Aug-04
HSBC Midcap Fund-Regular <sup>8*</sup>	15317	52.99	18213	22.05	24780	19.88	309867	19.18	
Scheme Benchmark (NIFTY Midcap 150 TRI)	15728	57.08	20727	27.42	31070	25.42	NA	NA	
Additional Benchmark (Nifty 50 TRI)	12849	28.40	15675	16.12	21603	16.64	171170	15.62	

**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 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 May 19, 2023, 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 May 19, 2023, 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

<sup>8</sup>**HSBC Midcap Fund:** The launch date of the Nifty Midcap 150 TRI is Apr 01, 2005 whereas the inception date of the scheme is Aug 09, 2004. The corresponding benchmark returns since inception of the scheme not available. (Methodology Document for Equity Indices (niftyindices.com))

SIP Performance - HSBC Midcap Fund - Reg					Inception Date: 09-August-04
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	2340000	
Market Value as on February 29, 2024 (₹)	155,518	531,063	1,108,007	16,473,819	
Scheme Returns (%)	59.33	27.00	24.82	17.41	
NIFTY Midcap 150 TRI - Scheme Benchmark (₹)	153,970	555,088	1,277,683	NA	
NIFTY Midcap 150 TRI - Scheme Benchmark Returns (%)	56.59	30.30	30.82	NA	
Nifty 50 TRI - Additional Benchmark (₹)	137,809	459,781	948,702	10,324,742	
Nifty 50 TRI - Additional Benchmark Returns (%)	28.74	16.58	18.40	13.51	

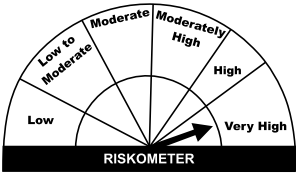
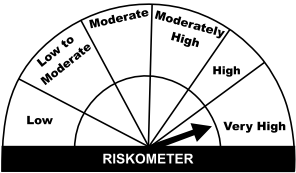
**Past performance may or may not be sustained in the future and is not indicative of future results.** For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus 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 29 February 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
<p><b>HSBC Midcap Fund</b></p> <p>An open ended equity scheme predominantly investing in mid cap stocks</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term wealth creation</li> <li>• Investment in equity and equity related securities of mid cap companies.</li> </ul>	 <p>Investors understand that their principal will be at Very High risk</p>	<p><b>Benchmark Index:</b> Nifty Midcap 150 TRI</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 29 February 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

### 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 29 February 2024

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HSBC Mutual Fund, 9-11th Floor, NESCO - IT Park Bldg. 3, Nesco Complex, Western Express Highway, Goregaon East, Mumbai 400063. Maharashtra.  
GST - 27AABCH0007N1ZS, Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co/in

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