

Product Note

HSBC Dynamic Term Fund

(An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk.)

September 2026

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM ^{3&}
Dynamic Term Fund	Mahesh Chhabria and Shriram Ramanathan	NIFTY Composite Debt Index A-III	27 Sep 2010	Rs. 121.14 Cr

Quantitative Data		Minimum Investment		
Average Maturity	11.80 Years	Lumpsum	SIP	Additional Purchase
Modified Duration	5.57 Years	₹ 5,000	₹ 500	₹ 1,000
Macaulay Duration	5.82 Years			
Yield to Maturity	7.36%			

Why HSBC Dynamic Term Fund?

- The fund aims to generate alpha using all sources of generating returns: Yield accruals through high quality credit selection and active duration management
- The fund follows active duration management along with dynamic asset allocation
- The fund is ideal for investors seeking appropriate risk adjusted returns in a volatile interest rate environment

Fund Approach

- 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 while also reducing risks in an uncertain environment
- Aims to Invest in a liquid portfolio to enable positioning changes based on evolving scenario

Month End Base Expenses Ratios (Annualized)⁴

Plan	Base Expense Ratio (BER)
Regular ⁵	0.68%
Direct	0.23%

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 as 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.

⁵For 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 on 31 August 2026. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

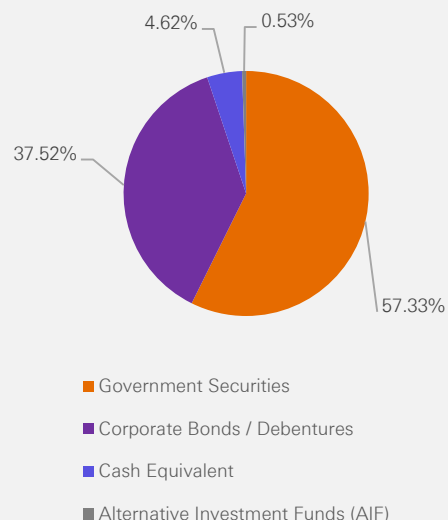
Portfolio

Issuer	Rating	% to Net Assets
Corporate Bonds / Debentures		37.52%
Power Finance Corporation Limited	CRISIL AAA / ICRA AAA	8.89%
SIDBI	CRISIL AAA	5.93%
REC Limited	ICRA AAA	5.73%
Bharti Telecom Limited	CRISIL AAA	4.28%
National Housing Bank	CARE AAA	4.26%
NABARD	ICRA AAA	4.23%
Indian Railway Finance Corporation Ltd	CRISIL AAA	4.19%
Government Securities		57.33%
6.36% GOI 16-Feb-2031	SOVEREIGN	12.31%
7.71% GOI 18-May-2066	SOVEREIGN	8.51%
6.94% GOI 11-May-2036	SOVEREIGN	8.42%
6.9% GOI 15-Apr-2065	SOVEREIGN	7.31%
6.48% GOI 06Oct2035	SOVEREIGN	4.43%
7.06% GOI 27-Jul-2041	SOVEREIGN	4.14%
7.63% Maharashtra SDL - 27-Aug-2039	SOVEREIGN	4.13%
7.24% GOI 18-Aug-2055	SOVEREIGN	4.11%
6.8% Tamil Nadu SDL - 02-Jul-2035	SOVEREIGN	3.97%
Alternative Investment Funds (AIF)		0.53%
Corp Debt Mkt Develop Fund (SBI AIF Fund)	AIF	0.53%
Cash Equivalent		4.62%
TREPS*		4.37%
Net Current Assets		0.25%
Total Net Assets as on 31-August-2026		100.00%

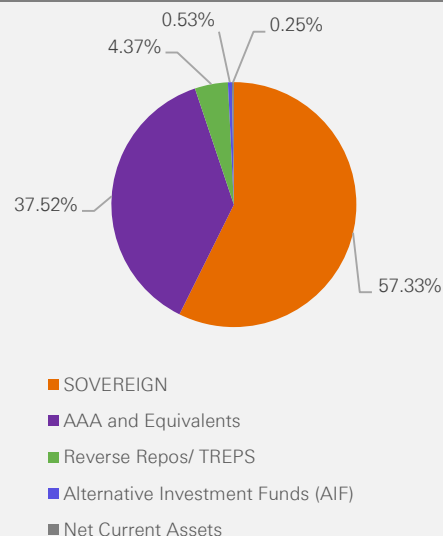
*TREPS : Tri-Party Repo fully collateralized by G-Sec



Asset Allocation



Rating Portfolio



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.

Fund Manager - Mahesh Chhabria Effective 01 May 2024. Total Schemes Managed - 14
Fund Manager - Shriram Ramanathan Effective 02 Feb 2015. Total Schemes Managed - 9

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 Dynamic Term Fund - Regular Plan~~~	10417	4.15	11987	6.22	12861	5.16	18044	6.08	30819	7.32	27-Sep-10
Scheme Benchmark (NIFTY Composite Debt Index A-III)	10376	3.74	12092	6.53	13137	5.61	19172	6.72	31256	7.41	
Additional Benchmark (CRISIL 10 year Gilt Index)	10302	3.00	12079	6.49	12866	5.17	17564	5.79	26701	6.36	
HSBC Dynamic Term Fund - Direct Plan~~~	10461	4.58	12171	6.76	13190	5.69	19143	6.71	27592	7.71	01-Jan-13
Scheme Benchmark (NIFTY Composite Debt Index A-III)	10376	3.74	12092	6.53	13137	5.61	19172	6.72	26431	7.37	
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
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)
<div>HSBC Dynamic Term Fund</div> <div>(An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk.)</div> <div>This product is suitable for investors who are seeking*:</div> <div><div>• Generation of reasonable returns over medium to long term</div><div>• Investment in fixed income securities</div></div>		<div>As per AMFI Tier 1. Benchmark Index: NIFTY Composite Debt Index A-III</div>

* 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 Dynamic Term Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
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.			

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.