

## Product Note

### HSBC Multi Cap Fund (HMCF)

(Multi Cap Fund - An open ended equity scheme investing across large cap, mid cap, small cap stocks)

March 2023

Fund Category	Fund Manager	Benchmark <sup>1</sup>	Inception Date	AUM
Multi Cap Fund	Venugopal Manghat and Kapil Punjabi	NIFTY 500 Multicap 50:25:25 TRI	30 Jan 2023	Rs. 1228.38 Cr

## Access benefits in multiple market cycles through one fund



## Opportunity across sizes - **LEAP**

Large Cap - **L**eader  
Top 100 companies

Well established businesses

Matured players with long track record

High liquidity

Stable and less volatile

Source: HSBC Mutual Fund

Mid Cap - **E**merging **A**spirants  
101st to 250th companies

Potential Large Caps

Proven track record with higher growth prospects

Comparatively higher volatile versus Large Caps

Potential valuation multiple re-rating candidates

Small Cap - **P**earls  
251st company and beyond

Niche and emerging businesses

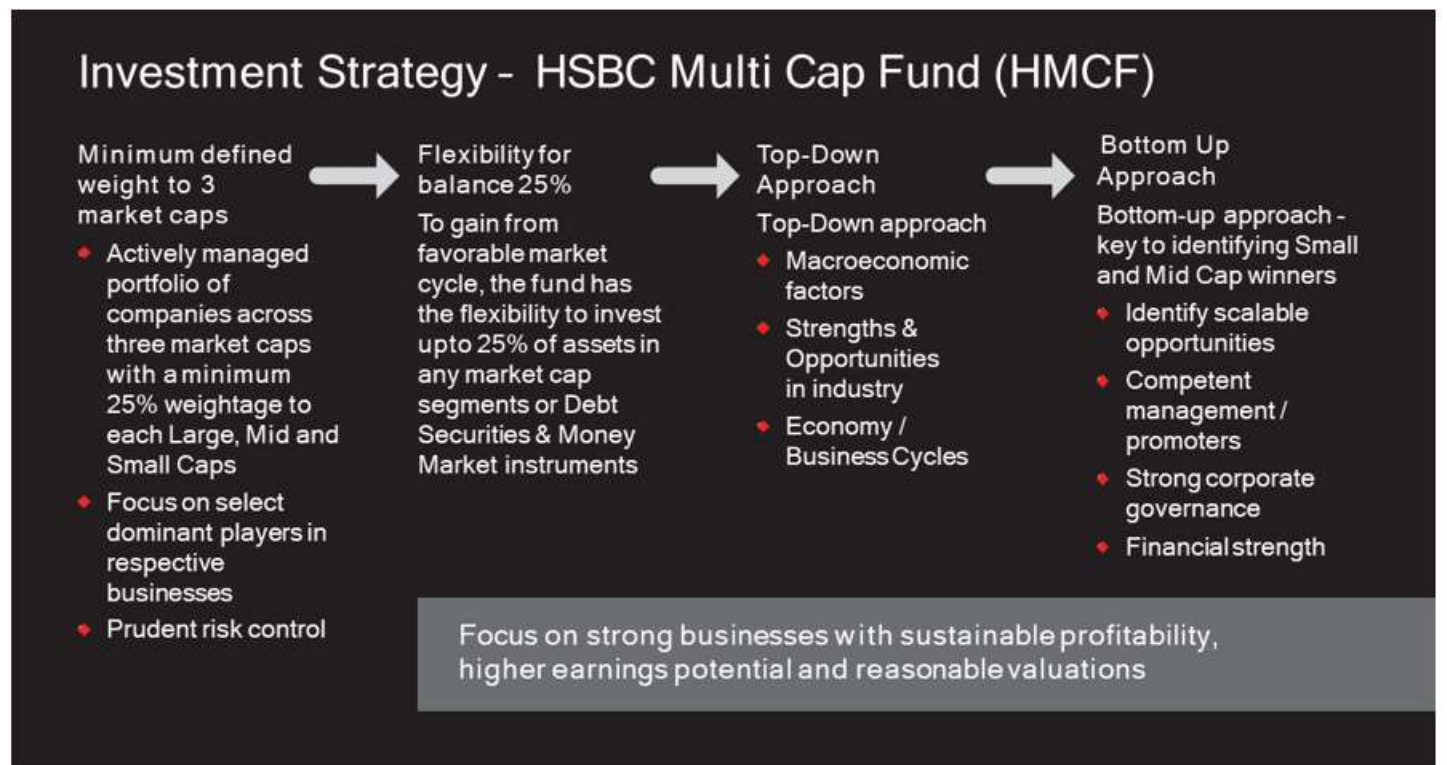
High potential for growth

Relatively more volatile and less liquidity

Higher research arbitrage



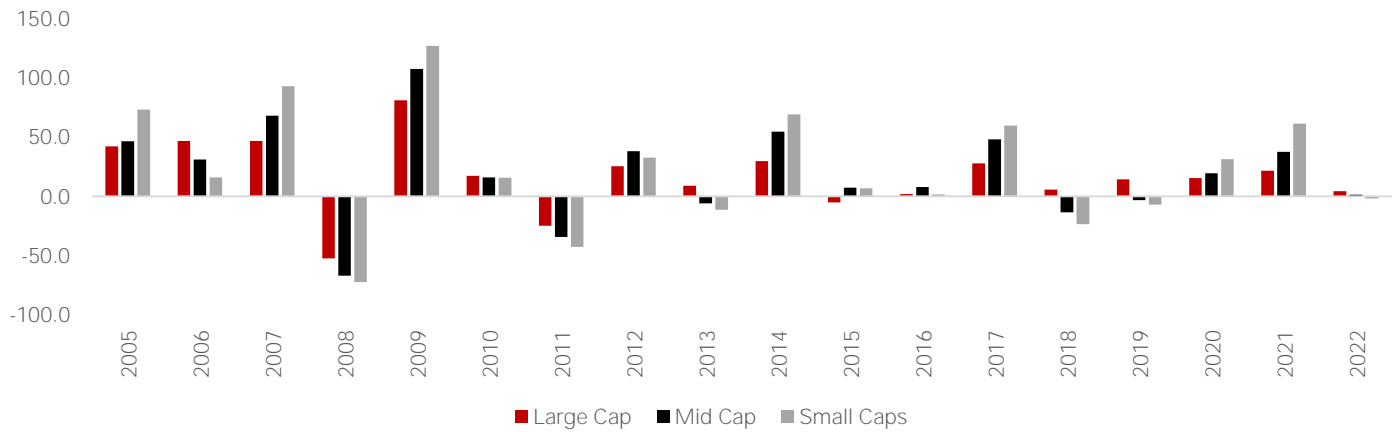
Large Cap (25%) + Mid Cap (25%) + Small Cap (25%) + Flexible^ (25%) = Multi Cap advantage



Source - HSBC Mutual Fund, ^ Flexible - The fund can invest in any market cap or Debt Securities & Money Market instruments. The asset allocation and investment strategy will be as per Scheme Information Document (SID). Large-caps are represented by the top 100 stocks on full market capitalisation basis & Mid caps are represented by the next 150 stocks based on full market capitalisation and Small Cap stocks beyond 250th stock based on full market capitalisation basis .

## Multi Cap strategy has potential to perform in the different market cycles

### Performance across Market Caps



It can be seen historically, winners may change based on favourable or unfavorable market cycle

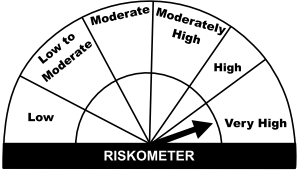

Large Cap stocks have outperformed / fallen less in 2006, 2008, 2010, 2011, 2013, 2018, 2019 and 2022

Mid Cap stocks have outperformed in 2012, 2015 & 2016

Small Cap stocks were the best performers in the year 2005, 2007, 2009, 2014, 2017 and 2020

Chart representation - Large cap – S&PBSE Sensex, Mid Cap – S&P BSE Midcap, Small Cap – S&P BSE Small Cap index.  
**Past performance may or may not be sustained in the future.**

**Product Label**

HSBC Multi Cap Fund		
<p><b>Multi Cap Fund</b> – An open ended equity scheme investing across large cap, mid cap, small cap stocks.</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>To create wealth over long-term</li> <li>Investment predominantly in equity and equity related securities across market capitalization                      (Benchmark: NIFTY 500 Multicap 50:25:25 TRI)</li> </ul>	 <p><b>RISKOMETER</b></p> <p>Investors understand that their principal will be at Very High risk</p>	<p><b>Benchmark Index: NIFTY 500 Multicap 50:25:25 TRI</b></p>  <p><b>RISKOMETER</b></p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Note on Risk-o-meters:** Riskometer is as on 28 Feb 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

Past performance may or may not be sustained in the future. Source: HSBC Asset Management India, data as at 28 Feb 2023

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