HSBC Mutual Fund

Product Note

HSBC Medium to Long Duration Fund (HMLF)

(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. (Please refer Page No. 15 of SID for explanation on Macaulay's duration). Relatively High interest rate risk and relatively Low credit risk.)

November 2024

Fund Category	Fund Manager	Benchmark [1]	Inception Date	AUM[3 &]
Medium to Long Duration Fund	Kapil Lal Punjabi and Shriram Ramanathan	NIFTY Medium to Long Duration Debt Index A-III	10 Dec 2002	Rs. 50.23 Cr

Quantitative Data	
Average Maturity	10.49 Years
Modified Duration	6.47 Years
Macaulay Duration^	6.69 Years
Yield to Maturity	6.92%

Minimum Investment		
Lumpsum ₹ 10,000	SIP ₹ 500	Additional Purchase ₹ 1,000

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 may be opportunities to capture alpha through strategic overweight duration in this fund

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 when interest rates are expected to soften while also reducing risks in an uncertain environment
- The major portion of the portfolio is invested in Gsecs due to favourable scenario
- Investments in a liquid portfolio to enable positioning changes based on evolving market scenario
- Managing duration through allocation in 7 -10 year part of the yield curve

Exit Load: NIL, No entry load will be charged to the investor.
Month End Total Expenses Ratios (Annualized)[4] – Regular[5]: 1.90%, Direct: 0.67%

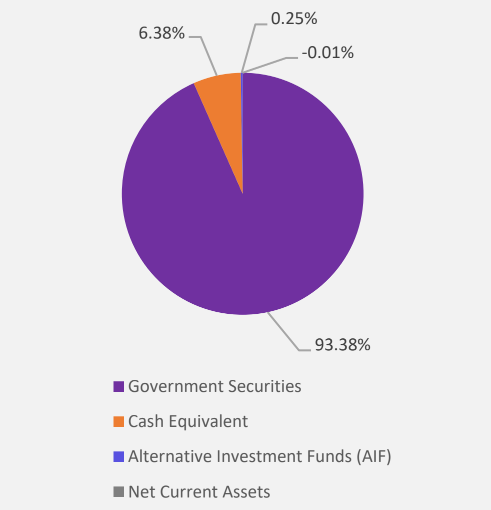
[1] As per clause 1.9 of the SEBI Master Circular dated June 27, 2024, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark effective from 01 December 2021.
[2] AUM is as on 31 October 2024.
[3] TER Annualized TER including GST on Investment Management Fees
[4] Continuing plans
[&] 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
^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 October 2024. **Past performance may or may not be sustained in the future and is not indicative of future results.**

Portfolio

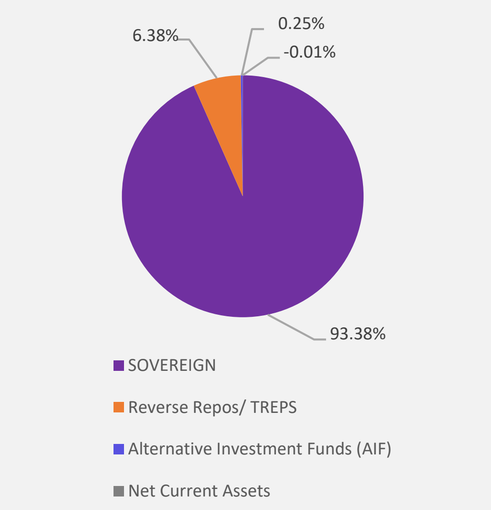
Issuer	Rating	% to Net Assets
Government Securities		**93.38%**
7.18% GOI 24-Jul-2037	SOVEREIGN	31.18%
7.04% GOI 03JUN29	SOVEREIGN	20.69%
7.10% GOI 08-Apr-2034	SOVEREIGN	20.35%
7.30% GOI 19JUN53	SOVEREIGN	10.62%
7.32% GOI BOND 13NOV2030	SOVEREIGN	10.54%
Alternative Investment Funds (AIF)		**0.25%**
CDMDF CLASS A2	AIF	0.25%
Cash Equivalent		**6.37%**
TREPS*		**6.38%**
Net Current Assets		**-0.01%**
Total Net Assets as on 31-October-2024		**100.00%**

*TREPS : Tri-Party Repo

Asset Allocation



Rating Portfolio



Source: HSBC Mutual Fund, Data as on 31 October 2024
Note : Please refer to the Scheme Information Document for more detail on Asset Allocation of the Scheme.

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.

Fund Manager - Kapil Lal Punjabi Effective 15 Jul 2023. Total Schemes Managed - 17
Fund Manager - Shriram Ramanathan Effective 26 Nov 2022. Total Schemes Managed - 11

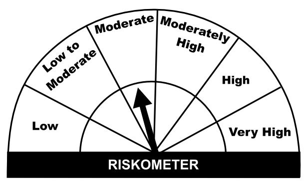
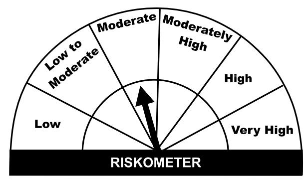
Lump Sum Investment Performance									Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in ₹	Returns %	
HSBC Medium to Long Duration Fund - Regular Plan[3~~]	10873	8.70	11381	4.39	12626	4.77	40089	6.54	10-Dec-02
Scheme Benchmark (NIFTY Medium to Long Duration Debt Index A-III) [1]	10963	9.60	11822	5.72	13884	6.78	43209	6.91	
Additional Benchmark (CRISIL 10 year Gilt Index)	11070	10.67	11779	5.59	13037	5.44	36452	6.08	

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 October 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 June 27, 2024, 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 June 27, 2024, 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 October 2024.
[1] HSBC Medium to Long Duration Fund - Effective September 04, 2023 the Benchmark has been changed from NIFTY Medium to Long Duration Debt Index B-III to NIFTY Medium to Long Duration Debt Index A-III.

Source: HSBC Mutual Fund, Data as on 31 October 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 (as applicable)
HSBC 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. (Please refer Page No. 14 of SID for explanation on Macaulay's duration). Relatively High interest rate risk and relatively Low credit risk.) **This product is suitable for investors who are seeking*:** • Regular income over medium to long 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 understand that their principal will be at Moderate risk	As per AMFI Tier 1 **Benchmark Index : NIFTY Medium to Long Duration Debt Index A-III** 

- 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 31 October 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

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)	A-III		
A Scheme with Relatively High interest rate risk and Moderate 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 the future and is not indicative of future results. Source: HSBC Mutual Fund, data as on 31 October 2024

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 1996 and guidelines issued thereunder, HSBC AMC, its employees and/or empaneled distributors/agents are forbidden from guaranteeing/promising/assuring/predicting any returns or future performances of the schemes of HSBC Mutual Fund. Hence please do not rely upon any such statements/commitments. If you come across any such practices, please register a complaint via email at investor.line@mutualfunds.hsbc.co.in.

Disclaimer: This document has been prepared by HSBC Mutual Fund for information purposes only and should not be construed as i) an offer or recommendation to buy or sell securities, commodities, currencies or other investments referred to herein; or ii) an offer to sell or a solicitation or an offer for purchase of any of the funds of HSBC Mutual Fund; or iii) an investment research or investment advice. 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 personal and independent advice regarding the appropriateness of investing in any of the funds, securities, other investment or investment strategies that may have been discussed or referred herein and should understand that the views regarding future prospects may or may not be realized. In no event shall HSBC Mutual Fund/HSBC Asset management (India) Private Limited and / or its affiliates or any of their directors, trustees, officers and employees be liable for any direct, indirect, special, incidental or consequential damages arising out of the use of information / opinion herein.

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.

© Copyright. HSBC Mutual Fund 2024, ALL RIGHTS RESERVED.
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.