

Debt Fund Book

Fixed Income Funds Snapshot

September 2023

Welcome to the world of fixed income funds

Why fixed income funds are smarter?

- ◆ Traditional fixed income products, such as bank FDs, offer capital safety, which may also be subject to certain limitations*. However, after accounting for inflation these avenues may not be sufficient to meet the financial goals
- ◆ Fixed income funds can be a worthy alternative, as they are subject to low volatility**, reasonable liquidity^ and inflation-adjusted better performance relative to other traditional fixed income alternatives
- ◆ They are market-linked products and invest in diverse fixed income instruments such as government securities, corporate bonds and money market instruments
- ◆ Net asset value (NAV) of a fund changes in line with the market conditions such as interest rate movement of underlying fixed income securities or on rating changes of underlying issuer holdings
- ◆ Fixed Income funds are ideal for risk-averse investors
- ◆ They offer variety and convenience which investors can adapt to meet their financial goals

* Bank deposits are insured up to a maximum of Rs 5 lakh by the Deposit Insurance and Credit Guarantee Corporation

** Despite low volatility, there have been some instances where liquid funds have given negative one-day returns, primarily due to liquidity concerns

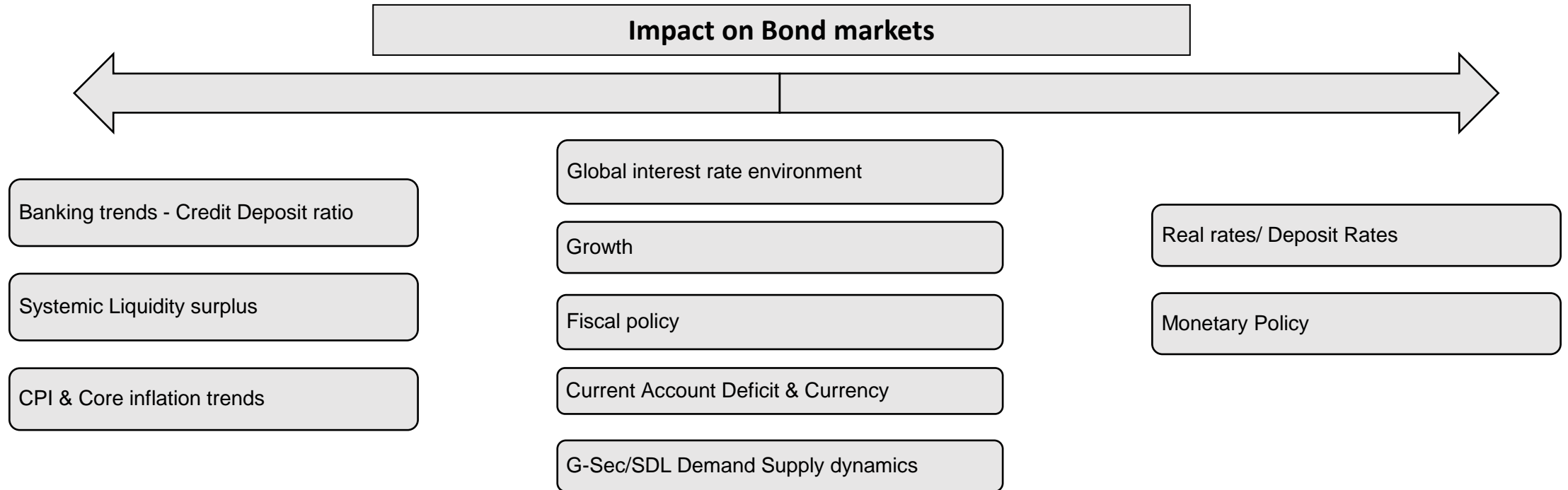
^Investments in open-ended fixed income funds can be redeemed on any business day. Past performance may or may not be sustained in the future

Some of the diverse options based on risk, return and investment horizon



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Fixed Income – Top down Macro Economic factors



- Global Central banks may keep interest rate higher for longer to curb inflationary pressures
- IUS inflation may remain stubbornly above the Fed's target of 2% and higher for longer policy rates may be required by the Fed over the coming 3-4 quarters
- RBI MPC has kept Repo rate unchanged at 6.50%
- Any correction in the bond yields could provide an opportunity to add duration and may provide a good entry point into longer duration bonds
- We are at the peak of the rate hiking cycle and the risk-reward has turned in favor of careful deployment into certain areas which offer the better risk adjusted performance

Source: Bloomberg, RBI, HSBC Asset Management India
Data as on 31 August 2023

HSBC Liquid Fund (HLIF) (Erstwhile HSBC Cash Fund)

Liquid Fund - An open-ended Liquid Scheme. Relatively Low interest rate risk and Low credit risk.

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Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Liquid Fund	Kapil Lal Punjabi and Shriram Ramanathan	Nifty Liquid Index B-I	04 Dec 2002	Rs. 18268.63 Cr

Why invest in HSBC Liquid Fund?

- To offer optimal liquidity and risk adjusted performance to suit the investor's requirements in various situations, our fund managers follow stringent liquidity, credit risk and interest rate risk norms
- The portfolio comprises of high credit quality papers evaluated through a rigorous credit evaluation process and generally aims to restrict investments to the highest possible short-term rating.
- We have seen a reasonable move in yields in the shorter segment this year, which may help in the portfolio yield

Fund Strategy

- Investment predominantly in highly liquid money market instruments, government securities and corporate debt with residual maturity of up to 91 days
- Aims to focus on maintaining a high credit quality and highly liquid portfolio - investing only in issuers which are covered by internal credit research team
- Measured exposure to high quality Commercial Papers
- The focus continues to be on the accrual returns in the portfolio.

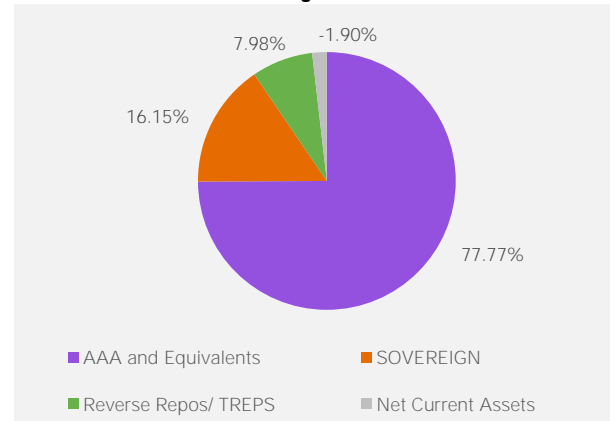
Investment Objective

- To provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through a portfolio of money market and debt securities. However, there can be no assurance that the Scheme objective can be realised

Quantitative Data

YTM ⁵	7.01%
Average Maturity	38.01 Days
Modified Duration	38.02 Days
Macaulay Duration	38.02 Days

Rating Profile



¹ 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. ² Fund's benchmark has changed with effect from April 01, 2022. Data as on 31 August 2023, ³ AUM is as on 31 August 2023, ⁵YTM is annualized.

HSBC Overnight Fund (HOVF) (Erstwhile L&T Overnight Fund)

Overnight Fund - An open ended debt scheme investing in overnight securities. Relatively low interest rate risk and relatively low credit risk (L&T Overnight Fund has merged into HSBC Overnight Fund)

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Overnight Fund	Kapil Lal Punjabi and Mahesh Chhabria	NIFTY 1D Rate Index	22 May 2019	Rs. 3635.41 Cr

Why HSBC Overnight Fund?

- Overnight funds offer relatively lower volatility compared to other fixed income funds
- Overnight funds carry low interest rate risk and lowest credit risk vs other fixed income funds
- Overnight funds are one of the most liquid investments available in the market with redemption availability on any working day
- Overnight funds can deliver reasonable risk adjusted performance vs. traditional saving products

Fund Philosophy

- Primary objective of these funds is to seek to generate returns commensurate with low risk and providing high level of liquidity, through investments made primarily in overnight securities having maturity of up to 1 business day
- Can invest in Tri party Repos (TREPS), reverse repos, CROMS and other eligible 1 day assets

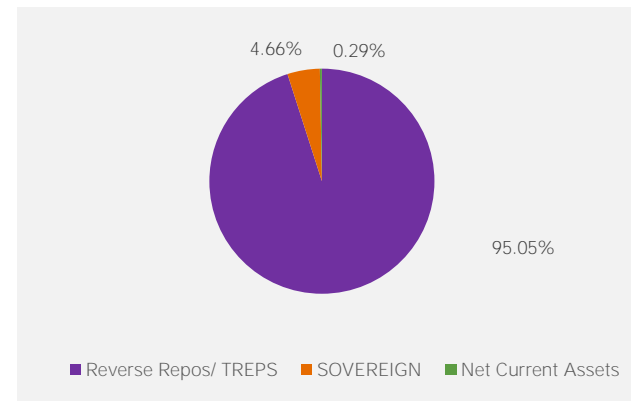
Investment Objective

- The scheme aims to offer reasonable returns commensurate with low risk and high degree of liquidity through investments in overnight securities. However, there is no assurance that the investment objective of the Scheme will be achieved.

Quantitative Data

YTM ⁵	6.63%
Average Maturity	1.65 Days
Modified Duration	1.65 Days
Macaulay Duration	1.65 Days

Rating Profile



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HSBC Dynamic Bond Fund (HLEF) (Erstwhile L&T Flexi Bond Fund)

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Dynamic Bond Fund - An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively low credit risk. (HSBC Corporate Bond Fund & HSBC Flexi Debt Fund has merged into L&T Flexi Bond Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Dynamic Bond Fund	Jalpan Shah and Shriram Ramanathan (Co Fund Manager)	NIFTY Composite Debt Index A-III	27 Sep 2010	Rs. 188.58 Cr

Why HSBC Dynamic Bond 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.
- 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 Strategy

- 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
- Diversified portfolio spread across government securities, corporate bonds and money market instruments.
- Aims to Invest in a liquid portfolio to enable positioning changes based on evolving scenario.
- ~ 50-55% of the portfolio is invested in Corporate bonds in about 1 - 3 year segment for higher accrual. Overweight Corporate Bonds in this segment as spreads over G-Sec are relatively better in this part of the curve.
- ~ 40-45% of the portfolio is invested in 4 to 10 year G-Sec for higher duration. Overweight G-Sec in this segment as Corporate Bond spreads over G-Secs are lower in this part of the curve.

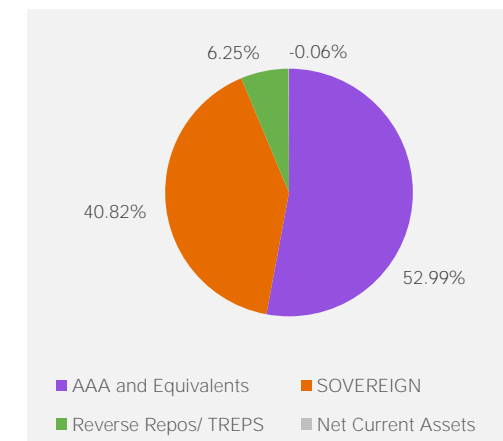
Investment Objective

- 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.

Quantitative Data

YTM ⁵	7.41%
Average Maturity	5.13 years
Modified Duration	3.85 years
Macaulay Duration [^]	4.07 years

Rating Profile



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HSBC Short Duration Fund (HSDF) (Erstwhile L&T Short Term Bond Fund)

Short Duration 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 for details on Macaulay's Duration (for details on Macaulay's Duration please refer to the SID). A moderate interest rate risk and moderate credit risk.

(HSBC Short Duration Fund has merged into L&T Short Term Bond Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Short Duration Fund	Jalpan Shah and Shriram Ramanathan	NIFTY Short Duration Debt Index B-II	27 Dec 2011	Rs. 3394.28 Cr

Why HSBC Short Duration Fund?

- Investors looking to invest in high credit quality debt fund with lower interest rate risk could consider investing in this 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 Strategy

- The scheme aims at generating returns through yield accrual while also capturing potential opportunities of capital appreciation
- Aim to maintain the highest credit quality, with 100% of the portfolio in AAA or equivalent securities

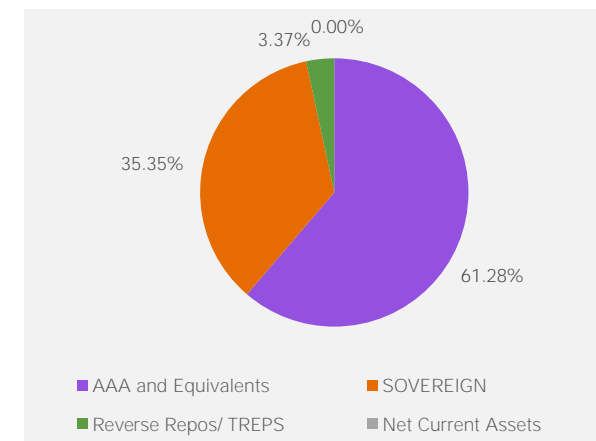
Investment Objective

- 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

Quantitative Data

YTM ⁵	7.49%
Average Maturity	2.62 years
Modified Duration	2.22 years
Macaulay Duration [^]	2.35 years

Rating Profile



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HSBC Ultra Short Duration Fund (Erstwhile L&T Ultra Short Term Fund)

Ultra Short Duration Fund - An open ended ultra-short term debt scheme investing in instruments such that the Macaulay Duration of the portfolio is between 3 months to 6 months (for details on Macaulay's Duration please refer to the SID). A relatively Low interest rate risk and Moderate credit risk.
(L&T Ultra Short Term Fund has merged into HSBC Ultra Short Duration Fund)

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Ultra Short Duration Fund	Mahesh Chhabria and Jalpan Shah	NIFTY Ultra Short Duration Debt Index B-I	30 Jan 2020	Rs. 2751.92 Cr

Why HSBC Ultra Short Duration Fund?

- The Fund would largely maintain high credit quality portfolio of securities with investment predominantly in securities that have high short term credit quality rating
- The security selection would be driven by investment team's view on credit spreads, liquidity and the risk reward assessment of each security
- The scheme would largely maintain high credit quality portfolio basis in-depth credit evaluation which includes financial position of the issuer, external credit ratings opinions, operational metrics, past track record as well as future prospects of the issuer

Fund Strategy

- Investment predominantly in liquid money market instruments, government securities and corporate debt
- The fund typically has a relatively higher portfolio average maturity as compared to liquid/cash fund
- The scheme continues to focus on high credit quality securities (100% AAA/A1+ portfolio) and a liquid portfolio
- Overall, we remain neutral to positive on duration with reasonable liquidity and rate hikes pause.
- The focus continues to be on the accrual returns in the portfolio.

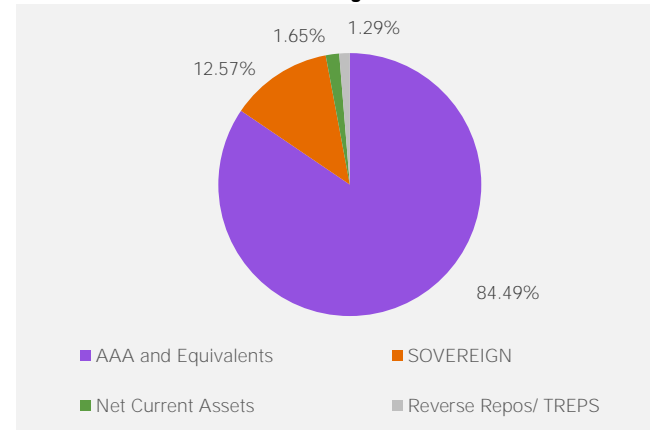
Investment Objective

- To provide liquidity and generate reasonable returns with low volatility through investment in a portfolio comprising of debt & money market instruments. However, there is no assurance that the investment objective of the scheme will be achieved.

Quantitative Data

YTM ⁵	7.24%
Average Maturity	5.36 Months
Modified Duration	5.21 Months
Macaulay Duration	5.32 Months

Rating Profile



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HSBC Low Duration Fund (HLDF) (Erstwhile L&T Low Duration Fund)

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Low Duration Fund - An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months (for details on Macaulay's Duration please refer to the SID). A relatively low interest rate risk and moderate credit risk.

(HSBC Low Duration Fund has merged into L&T Low Duration Fund and the surviving scheme has been renamed)

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Low Duration Fund	Shriram Ramanathan and Mahesh Chhabria	NIFTY Low Duration Debt Index B-I	04 Dec 2010	Rs. 477.21 Cr

Why HSBC Low Duration Fund?

- Appropriately positioned to provide a higher carry over the traditional money market category funds while maintaining liquidity
- Rigorous credit selection process to spot mispriced credit opportunities.
- Given the portfolio quality, liquidity and carry over other funds, the fund is well positioned in the current market environment.

Fund Strategy

- Focus on generating returns through a yield-oriented and accrual-based strategy
- Reasonably good portfolio quality with a diversified mix of assets and liquidity
- The fund has ~73% AAA rated issuers
- Moderate portfolio duration, while providing yield pickup

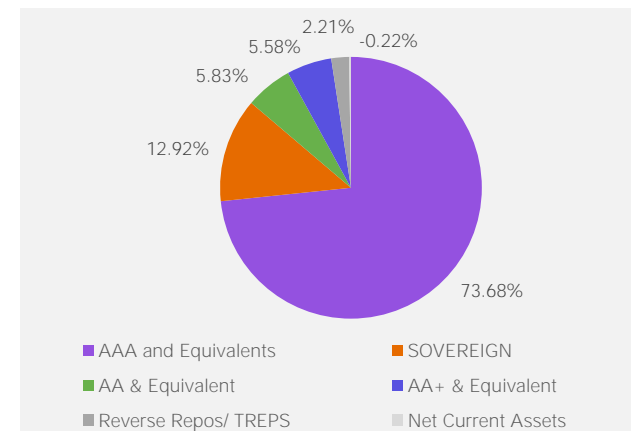
Investment Objective

- The investment objective is to provide liquidity and reasonable returns by investing primarily in a mix of short term debt and money market instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Quantitative Data

YTM ^s	7.56%
Average Maturity	11.72 Months
Modified Duration	10.86 Months
Macaulay Duration [^]	11.37 Months

Rating Profile



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HSBC Corporate Bond Fund (HCBF) (Erstwhile L&T Triple Ace Bond Fund)

Corporate Bond Fund - An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and relatively low credit risk.

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Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Corporate Bond Fund	Jalpan Shah and Shriram Ramanathan	NIFTY Corporate Bond Index B-III	31 Mar 1997	Rs. 6769.04 Cr

Why HSBC Corporate Bond Fund?

- The strategy offers the flexibility of an open-ended structure
- Minimal interest rate risk for investors staying in the fund for the entire tenor
- The fund's portfolio would carry a relatively low credit risk by virtue of its focus on investing predominantly in AAA rated credits
- Aims to create a corpus through tax efficient inflation-adjusted returns

Fund Strategy

- HSBC Corporate Bond Fund follows a passive roll-down strategy targeting a maturity of July - Sept 2028, with 100% of the portfolio invested in AAA Corporate bonds and Government Securities
- The fund endeavors to remain invested in bonds of only AAA rated companies
- The fund aims to generate significant proportion of the total returns in the form of income yield from accrual of high-quality credit

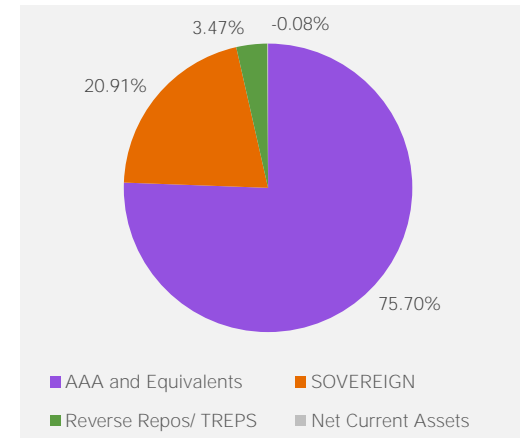
Investment Objective

- To generate regular return by investing predominantly in AA+ and above rated debt and money market instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns

Quantitative Data

YTM ⁵	7.47%
Average Maturity	5.14 years
Modified Duration	4.00 years
Macaulay Duration	4.24 years

Rating Profile



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HSBC Medium Duration Fund (HMDF) (Erstwhile L&T Resurgent India Bond Fund)

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Medium Duration Fund - An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (for details on Macaulay's Duration please refer to the SID). A relatively high interest rate risk and moderate credit risk.

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Medium Duration Fund	Shriram Ramanathan and Kapil Lal Punjabi	NIFTY Medium Duration Debt Index B-III	2 Feb 2015	Rs. 688.61 Cr

Why HSBC Medium Duration Fund?

- Aims to create alpha by identifying pockets of value propositions, vis-à-vis yield curve steepness, attractive carry opportunities, elevated credit spreads, etc.
- Rigorous credit selection process to ensure good portfolio quality
- Aim to demonstrated ability to strategically manage Duration in periods of volatile interest rates
- With interest rates consolidating at a higher level, a strategy combining a prudent mix of strategic Duration calls and Accrual product is well suited for investors with 3 year horizon

Fund Strategy

- About 75% of the portfolio in AAA or equivalent securities; Nil exposure to AA- and below rated names
- About 35% of portfolio exposure to Cash and G-Sec
- Opportunistically evaluate deals with good yield pick up
- Strategic duration management in an Accrual product

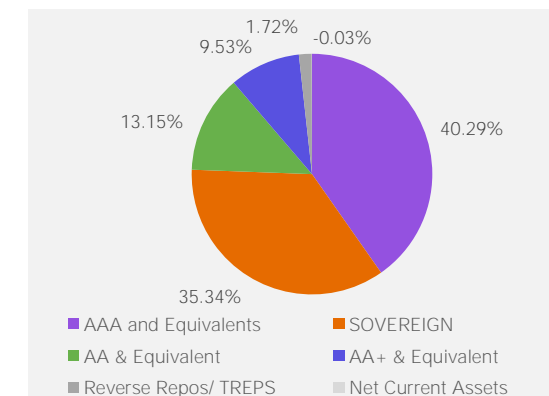
Investment Objective

- To seek to generate income by investing primarily in debt and money market securities. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM ⁵	7.96%
Average Maturity	4.42 years
Modified Duration	3.30 years
Macaulay Duration ⁴	3.45 years

Rating Profile



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HSBC Banking & PSU Debt Fund (HBPF) (Erstwhile L&T Banking and PSU Debt Fund)

Banking and PSU Fund - An open ended debt scheme predominantly investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high interest rate risk and relatively low credit risk.

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Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Banking and PSU Debt Fund	Mahesh Chhabria and Jalpan Shah	NIFTY Banking & PSU Debt Index	12 Sep 2012	Rs. 4556.35 Cr

Why HSBC Banking & PSU Debt Fund?

- The scheme is ideally suited for investors seeking a high portfolio quality and targeting higher tax-adjusted returns compared to traditional investment options over a 3-year period
- The fund offers a prudent portfolio considering the risk appetite whilst seeking optimal returns
- Markets have seen a sharp rise in short to medium term yields over the last few months; the ~3-year point on the curve aims to offer value
- HSBC Banking and PSU Debt Fund is predominantly positioned in the ~3-year segment to seek benefit from this move

Fund Strategy

- The Fund follows a passive roll-down strategy
- The strategy offers flexibility of an open-ended structure
- Continues to maintain the high credit quality, with 100% of the portfolio in AAA or equivalent securities

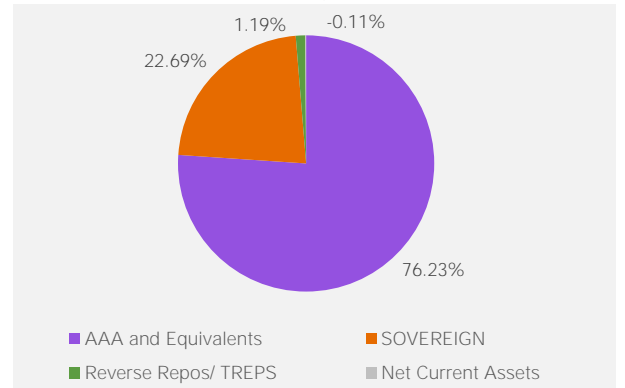
Investment Objective

- The investment objective of the Scheme is to generate reasonable returns by primarily investing in debt and money market securities that are issued by Banks, Public Sector Undertakings (PSUs) and Public Financial Institutions (PFIs) in India. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM ⁵	7.48%
Average Maturity	2.63 years
Modified Duration	2.26 years
Macaulay Duration	2.40 years

Rating Profile



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HSBC Credit Risk Fund (HCRF) (Erstwhile **L&T Credit Risk Fund**)

Credit Risk Fund - An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds). A relatively high interest rate risk and relatively high credit risk.

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Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Credit Risk Fund	Shriram Ramanathan and Kapil Lal Punjabi (Co Fund Manager)	NIFTY Credit Risk Bond Index C-III	8 Oct 2009	Rs. 339.10 Cr

Why HSBC Credit Risk Fund?

- Fund endeavours to follow an accrual-based, yield-enhancement strategy
- Robust credit selection process to spot mispriced credit opportunities
- Investors comfortable with adding credit risk to generate high accrual while keeping interest rate risk low, consider investing in this fund

Fund Strategy

- The fund aims to offer yield pick up over traditional bond funds and seeks to generate risk adjusted returns over the medium term
- Rigorous credit monitoring conducted by in-house credit research team
- Aims to create a corpus through generating inflation-adjusted returns

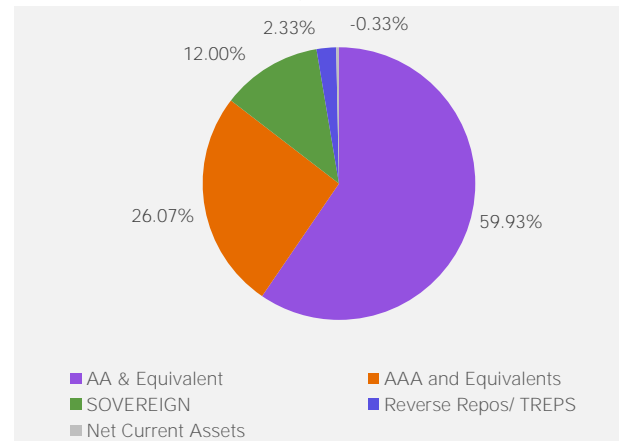
Investment Objective

- To generate regular returns and capital appreciation by investing predominantly in AA and below rated corporate bonds, debt, government securities and money market instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM ^s	8.17%
Average Maturity	2.02 years
Modified Duration	1.68 years
Macaulay Duration	1.79 years

Rating Profile



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HSBC Money Market Fund (HMMF) (Erstwhile L&T Money Market Fund)

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Money Market Fund - An open ended debt scheme investing in money market instruments. Relatively Low interest rate risk and Moderate credit risk.

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Money Market Fund	Kapil Lal Punjabi Lal and Shriram Ramanathan (Co Fund Manager)	Nifty Money Market Index B-I	10 Aug 2005	Rs. 1018.59 Cr

Why HSBC Money Market Fund?

- The scheme looks to position into maturity buckets to extract maximum value along the money market yield curve
- Low interest rate risk, given that maturity of instruments are below 1 year

Fund Strategy

- Aims to selectively invest in good quality credits, while also maintaining adequate portfolio liquidity
- Current investment is in mix of T-Bills, CDs and CPs
- To create a corpus by generating risk-adjusted returns

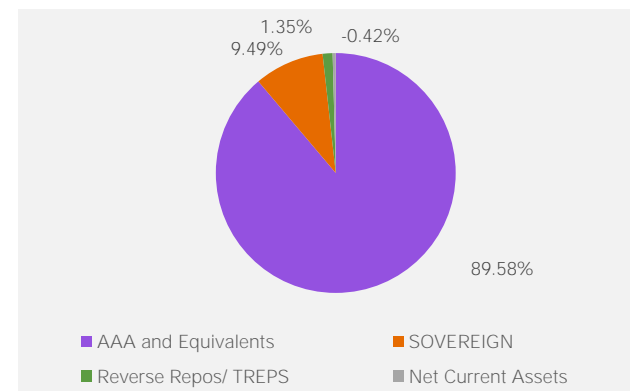
Investment Objective

- The primary objective of the Scheme is to generate regular income through investment in a portfolio comprising substantially of money market instruments. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM ⁵	7.29%
Average Maturity	176.68 Days
Modified Duration	176.68 Days
Macauley Duration	176.68 Days

Rating Profile



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HSBC Gilt Fund (HGIF) (Erstwhile L&T Gilt Fund)

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Gilt Fund - An open ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk.

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Gilt Fund	Jalpan Shah and Shriram Ramanathan	Nifty All Duration GSec Index	29 Mar 2000	Rs. 219.49 Cr

Why HSBC Gilt Fund?

- The fund aims to generate alpha through active duration management
- Invests predominantly in sovereign instruments and hence has minimal credit risk
- 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.
- 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 Strategy

- Actively managed fund investing across the yield curve in Govt. Securities and SDLs seeks to generate alpha
- Dynamic duration management endeavour to seize potential upsides when interest rates are expected to soften while also reducing risks in an uncertain environment
- Investments in a liquid portfolio to enable positioning changes based on evolving scenario.
- Overweight duration through higher allocation in 7-10 year part of the yield curve.

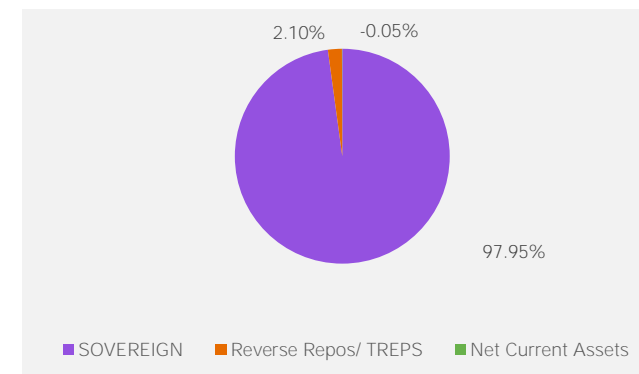
Investment Objective

- To generate returns from a portfolio from investments in Government Securities. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Quantitative Data

YTM ⁵	7.28%
Average Maturity	5.27 years
Modified Duration	4.15 years
Macaulay Duration	4.30 years

Rating Profile



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HSBC Medium to Long Duration Fund (HMLF) (Erstwhile HSBC Debt Fund)

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 (for details on Macaulay's Duration please refer to the SID.). A relatively high interest rate risk and moderate credit risk.

17

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Medium to Long Duration Fund	Kapil Lal Punjabi and Shriram Ramanathan	NIFTY Medium to Long Duration Debt Index B-III	10 Dec 2002	Rs. 43.77 Cr

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 Strategy

- 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 as corporate bonds spreads are not yet favourable.
- Investments in a liquid portfolio to enable positioning changes based on evolving market scenario.
- Overweight duration through higher allocation in 7 -10 year part of the yield curve.

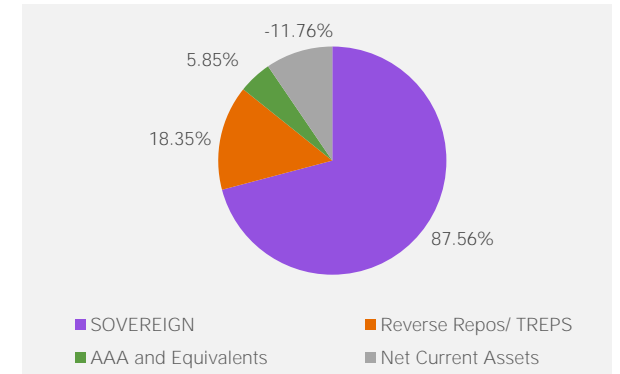
Investment Objective

- 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.

Quantitative Data

YTM ⁵	7.29%
Average Maturity	6.50 years
Modified Duration	4.87 years
Macaulay Duration ⁴	5.06 years

Rating Profile



¹ 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. ² Fund's benchmark has changed with effect from April 01, 2022. Data as on 31 August 2023, ³ AUM data as on 31 August 2023. ⁵YTM is annualized.

HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund (HGSF)

Index Fund - An open-ended Target Maturity Index Fund tracking CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028. Relatively High interest rate risk and Low credit risk.

18

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Index Fund	Kapil Lal Punjabi and Mahesh Chhabria	CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index	31 March 2022	Rs. 2190.35 Cr

Why HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund ?

- HGSF invests in the constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028
- The fund aims to track the index performance and aims to offer liquidity
- Invests in 50:50 proportion of quality G-Sec and SDL papers
- Offers relatively low credit risk by investments in G-Sec and SDL
- A roll down fund strategy to seek benefits of better yields
- Regular liquidity with open ended nature of the fund and no exit load
- SDL have similar Credit Risk to that of G-Sec, Liquid instruments which trade above the G-Sec Curve and have potential to deliver Market linked Returns
- Gsecs issued by the government, safest investment option, G-sec yields are currently better than FDs, G-Sec segment offers better management of cash flows with better liquidity leading to lower impact cost

Quantitative Data

YTM ⁵	7.42%
Average Maturity	4.25 year
Modified Duration	3.53 year
Macaulay Duration [^]	3.66 year

Fund Strategy

- The mandate of the target maturity fund is to invest in line with the index constituent's.
- The aim is to replicate underlying index minimizing the tracking error.
- Currently the allocation to G-sec is higher at ~ 55% seeking for an opportunity to align it with underlying composition at a relatively fair spread.

Investment Objective

- The investment objective of the Scheme is to provide returns corresponding to the total returns of the securities as represented by the CRISIL IBX 50:50 Gilt Plus SDL Index April 2028 before expenses, subject to tracking errors. However, there is no assurance that the investment objective of the Scheme will be achieved.

¹ 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. ² Fund's benchmark has changed with effect from April 01, 2022. Data as on 31 August 2023, ³ AUM data as on 31 August 2023. ⁵YTM is annualized.

HSBC CRISIL IBX Gilt June 2027 Index Fund

Index Fund - An open-ended Target Maturity Index Fund tracking CRISIL-IBX Gilt Index - June 2027. Relatively high interest rate risk and relatively low credit risk.

19

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Index Fund	Kapil Punjabi and Mahesh Chhabria	CRISIL-IBX Gilt Index - June 2027	23 March 2023	Rs. 250.42 Cr

Why HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund ?

- HSBC CRISIL IBX Gilt June 2027 Index Fund (HGIF - Target Maturity Index Fund) replicates CRISIL-IBX Gilt Index – June 2027
- The fund aims to track the index performance and offer liquidity
- Invests in sovereign G-Sec papers, as per the index
- The fund focuses on 4 - 5 year point of the yield curve which offers adequate carry
- A roll down fund strategy may seek benefits of better yields
- The roll down strategy may result in capital gains over medium term once interest rate cycle peaks out
- Attractive yield for the focused maturity offers adequate carry and roll down which may lead to lower volatility over medium term
- Regular liquidity with open ended nature of the fund and no exit load
- Offers relatively low credit risk by investments in G-Sec

Fund Strategy

- The mandate of the target maturity fund is to invest in line with the index construction
- The 4 – 5 year (2027) point in the yield curve remains attractive from a carry standpoint and may benefit from a roll-down over a 2 - 3 year timeframe

Investment Objective

- The investment objective of the Scheme is to provide returns corresponding to the total returns of the securities as represented by the CRISIL IBX 50:50 Gilt Plus SDL Index April 2028 before expenses, subject to tracking errors. However, there is no assurance that the investment objective of the Scheme will be achieved.

Quantitative Data

YTM ⁵	7.29%
Average Maturity	3.72 years
Modified Duration	3.17 years
Macaulay Duration [^]	3.28 years

¹ 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. ² Fund's benchmark has changed with effect from April 01, 2022. Data as on 31 August 2023, ³ AUM data as on 31 August 2023. ⁵YTM is annualized.

HSBC Conservative Hybrid Fund (HCHF) (Erstwhile L&T Regular Savings Fund)

Conservative Hybrid Fund- An open ended Hybrid Scheme investing predominantly in debt instruments. L&T Conservative Hybrid Fund has merged into HSBC Regular Savings Fund and the surviving scheme has been renamed)

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Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Conservative Hybrid Fund	Mahesh Chhabria & Cheenu Gupta	NIFTY 50 Hybrid Composite Debt 15:85 Index	24 Feb 2004	Rs. 109.43 Cr

Why HSBC Conservative Hybrid Fund?

- The Scheme shall invest in debt and money market instruments and would seek to generate regular returns
- The scheme may also invest in equity and equity related instruments to seek capital appreciation
- 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

Fund Strategy

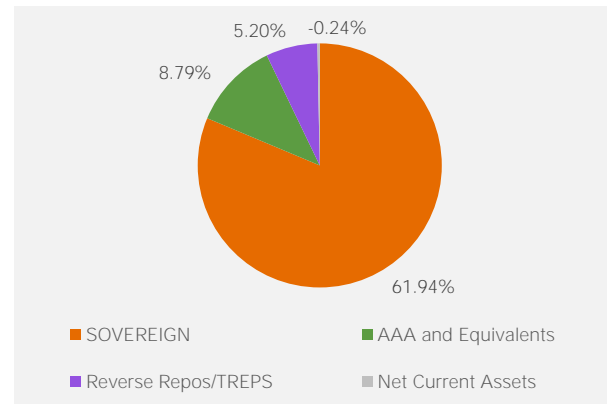
- While so far Indian bond markets have been somewhat de-linked from the volatile US Treasuries market, correlation between the two can potentially increase going forward– especially given the recent spike in food inflation, as well as oil prices.
- In such a backdrop, our bond markets may see sentiment turning negative, with yields possibly inching higher over the coming few months. Such an upmove in yields, if it were to materialize, would be an opportunity to add duration in our view and for investors also, provide a good entry point into longer duration bond funds.
- From a medium term perspective, despite some volatility in bond yields over the coming few months both globally and in India, we continue to believe we are close to the peak of the rate hiking cycle.
- The risk–reward has turned in favor of careful deployment into certain areas which offer risk adjusted returns.
- We intend to take advantage of any opportunities that may arise on the longer end of the curve depending on market conditions.

Investment Objective

- To seek generation of reasonable returns through investments in debt and money market Instruments. The secondary objective of the Scheme is to invest in equity and equity related instruments to seek capital appreciation. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.



YTM [§]	7.25%
Average Maturity	3.45 years
Modified Duration	2.94 years
Macaulay Duration [^]	3.04 years

Rating Profile



¹As 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. Note : Please refer to Asset Allocation table in Scheme Information Document (SID) of the Scheme for more details

Product Label

HSBC Liquid Fund (Erstwhile HSBC Cash Fund)		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Low to Moderate risk</p>	<p>Liquid Fund - An open-ended Liquid Scheme. Relatively Low interest rate risk and Low credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">• Overnight liquidity over short term• Investment in Money Market Instruments <p>Benchmark Index: Nifty Liquid Index B-I</p>	<p>Riskometer of the benchmark</p> 


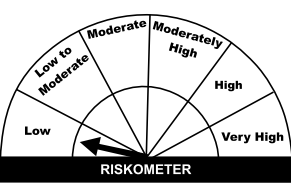
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 August 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

Potential Risk Class (HSBC Liquid Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			
A Scheme with Relatively Low 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.

Product Label

HSBC Overnight Fund		
<div><p>*Riskometer of the Scheme</p><p>Investors understand that their principal will be at Low risk</p></div>	<div><p>Overnight fund – An open ended debt scheme investing in overnight securities. Relatively Low interest rate risk and Low credit risk.</p><p>This product is suitable for investors who are seeking*:</p><ul style="list-style-type: none">Income over short term and high liquidityInvestment in debt & money market instruments with overnight maturity<p>Benchmark Index: NIFTY 1D Rate Index</p></div>	<div><p>Riskometer of the benchmark</p></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 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

Potential Risk Class (HSBC Overnight Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			
A Scheme with Relatively Low 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.

Product Label

HSBC Dynamic Bond Fund	*Riskometer of the Scheme	Riskometer of the benchmark
<p>Dynamic Bond Fund - An open ended dynamic debt scheme investing across duration. A relatively high 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 reasonable returns over medium to long term• Investment in fixed income securities (Benchmark Index: NIFTY Composite Debt Index A-III)	 <p>Investors understand that their principal will be at 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 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

Potential Risk Class (HSBC Dynamic Bond 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.

Product Label

HSBC Short Duration Fund (Erstwhile L&T Short Term Bond Fund)		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Moderate risk</p>	<p>Short Duration 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 for details on Macaulay's Duration please refer to SID under the section "Asset Allocation Pattern"). A moderate interest rate risk and moderate 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>Benchmark Index: Nifty Short Duration Debt Index B-II</p>	<p>Riskometer of the benchmark</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 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

Potential Risk Class (HSBC Short Duration Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)		B-II	
Relatively High (Class III)			
A Scheme with Relatively Moderate 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.


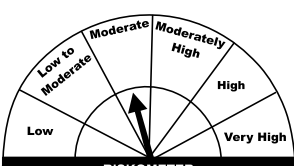
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

^ 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 August 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

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.

Product Label

HSBC Low Duration Fund (Erstwhile L&T Low Duration Fund)		
<div><p>*Riskometer of the Scheme</p><p>Investors understand that their principal will be at Low to Moderate risk</p></div>	<div><p>Low Duration Fund - An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months (for details on Macaulay's Duration please refer to SID under the section "Asset Allocation Pattern"). A relatively low interest rate risk and moderate credit risk.</p><p>This product is suitable for Investors who are seeking*:</p><ul style="list-style-type: none">• Generation of reasonable returns over short to medium term• Investment in fixed income securities and money market instruments<p>Benchmark Index: NIFTY Low Duration Debt Index B-I</p></div>	<div><p>Riskometer of the benchmark</p></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 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

Potential Risk Class (HSBC Low Duration Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			
A Scheme with Relatively Low 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.

Product Label

HSBC Corporate Bond Fund	*Riskometer of the Scheme	Riskometer of the benchmark
<p>Corporate Bond Fund - An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high 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 and stable income over medium to long term• Investment predominantly in AA+ and above rated corporate bonds and money market instruments. (Benchmark Index: NIFTY Corporate Bond Index B-III)	 <p>RISKOMETER</p> <p>Investors understand that their principal will be at Moderate risk</p>	 <p>RISKOMETER</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 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

Potential Risk Class (HSBC Corporate Bond 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.

Product Label

HSBC Medium Duration Fund (Erstwhile L&T Resurgent India Bond Fund)		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Moderate risk</p>	<p>Medium Duration Fund - An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively high interest rate risk and moderate credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">• Generation of income over medium term• Investment primarily in debt and money market securities <p>Benchmark Index: NIFTY Medium Duration Debt Index B-III</p>	<p>Riskometer of the benchmark</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 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

Potential Risk Class (HSBC Medium Duration 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)		B-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.

Product Label

HSBC Banking & PSU Debt Fund (Erstwhile L&T Banking and PSU Debt Fund)		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Moderate risk</p>	<p>Banking and PSU Fund - An open ended debt scheme primarily investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high 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 reasonable returns and liquidity over short term• Investment predominantly in securities issued by Banks, Public Sector Undertakings and Public Financial Institutions and municipal corporations in India. (Benchmark : NIFTY Banking & PSU Debt Index) <p>Benchmark Index: NIFTY Banking & PSU Debt Index</p>	<p>Riskometer of the benchmark</p> 


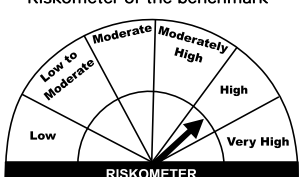
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 August 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

Potential Risk Class (HSBC Banking and PSU Debt 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 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.

Product Label

HSBC Credit Risk Fund (Erstwhile L&T Credit Risk Fund)		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Moderate risk</p>	<p>Credit Risk Fund - An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds). A relatively high interest rate risk and relatively high credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">• Generation of regular returns and capital appreciation over medium to long term• Investment in debt instruments (including securitized debt), government and money market securities <p>Benchmark Index: NIFTY Credit Risk Bond Index C-III</p>	<p>Riskometer of the benchmark</p> 

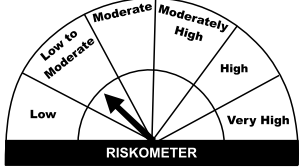
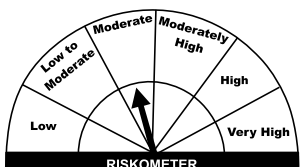
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 August 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

Potential Risk Class (HSBC Credit Risk 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)			C-III
A Scheme with Relatively High interest rate risk and High 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.

Product Label

HSBC Money Market Fund (Erstwhile L&T Money Market Fund)		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Low to Moderate risk</p>	<p>An open ended debt scheme investing in money market instruments. A Relatively Low interest rate risk and Moderate credit risk.</p> <p>This product is suitable for Investors who are seeking*:</p> <ul style="list-style-type: none">• Generation of regular income over short to medium term• Investment in money market instruments <p>Benchmark Index: Nifty Money Market Index B-I</p>	<p>Riskometer of the benchmark</p> 


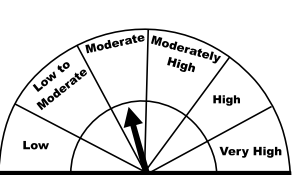
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 August 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

Potential Risk Class (HSBC Money Market Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			
A Scheme with Relatively Low 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.

Product Label

HSBC Gilt Fund		
<p>*Riskometer of the Scheme</p>  <p>Investors understand that their principal will be at Moderate risk</p>	<p>Gilt Fund - An open ended debt scheme investing in government securities across maturity. A relatively high 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 returns over medium to long term• Investment in Government Securities. <p>Benchmark Index: NIFTY All Duration G-Sec Index</p>	<p>Riskometer of the benchmark</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 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

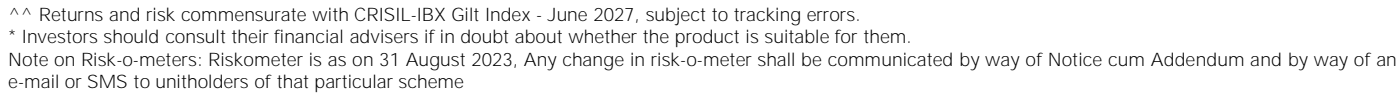
Potential Risk Class (HSBC Gilt Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		
A Scheme with Relatively High interest rate risk and Low credit risk.			

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.

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Returns and risk commensurate with CRISIL-IBX Gilt Index - June 2027, subject to tracking errors.
* 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 July 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

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Product Label

HSBC Conservative Hybrid Fund (Erstwhile HSBC Regular Savings Fund)		
<div><p>*Riskometer of the Scheme</p><p>Investors understand that their principal will be at Moderately High risk</p></div>	<div><p>Conservative Hybrid Fund– An open ended hybrid scheme investing predominantly in debt instruments.</p><p>This product is suitable for investors who are seeking*:</p><ul style="list-style-type: none">• Capital appreciation over medium to long term• Investment in fixed income (debt and money market instruments) as well as equity and equity related securities<p>Benchmark Index: NIFTY 50 Hybrid Composite Debt 15:85 Index</p></div>	<div><p>*Riskometer of the Scheme</p></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 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

HSBC Asset Management

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HSBC Asset Management (India) Private Limited, 9-11 Floors, NESCO IT Park, Building no. 3, Western Express Highway, Goregaon (East), Mumbai – 400 063, India.
Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co.in