

# Let India's every purchase power your portfolio.



Introducing

## HSBC Consumption Fund

(An open ended equity scheme following consumption theme)

September 2024

### Market update

India is broadly where China was in CY06. Since then, China has seen an explosion in consumption spends across categories and we believe that India will follow a similar path. India is favorably positioned due to its demographics, formalisation of economy, increased women participation in workforce, etc. Aspirational Indians are more tech savvy and influenced by social media and ready to spend now than later through use of credit. We are witnessing consumption shifting from unorganised to organised, premium categories and consumer behavior moving towards buying everything anywhere. This should drive strong consumption spends in the coming decade. HSBC India Consumption fund will aim to capture this strong underlying growth trends in the country.

HSBC Consumption Fund aims to invest a minimum 80% weight equities & equity related securities of companies engaged in or expected to benefit from consumption and consumption related activities and up to 20% in equity and equity related securities of companies other than consumption and consumption related activities.

### Investment Objective

The investment objective of the Fund is to generate long-term capital growth from an actively managed portfolio of equity and equity related securities of companies engaged in or expected to benefit from consumption and consumption related activities. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Fund Category	Fund Manager	Benchmark <sup>1</sup>	Inception Date	AUM <sup>&amp;</sup>
Thematic Fund	Gautam Bhupal, Anish Goenka <sup>@</sup> , Sonal Gupta <sup>#</sup>	Nifty India Consumption Index TRI	31 Aug 2023	Rs. 1,541.65 Cr

## Focus of HSBC Consumption Fund

HSBC Consumption Fund will explore right opportunities arising out of broader trends/themes such as



Unorganised to Organised shift



Penetration led growth



Emerging categories



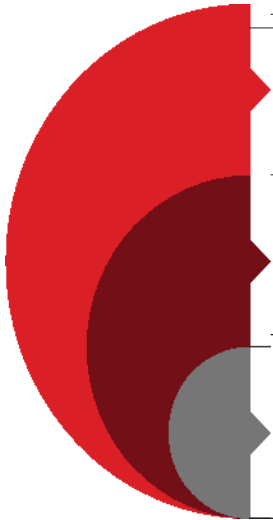
Premiumisation



Digitisation

- The fund is an actively managed portfolio of companies engaged in consumption and consumption related theme.
- HSBC Consumption Fund aims to invest a minimum 80% weight equities & equity related securities of companies engaged in or expected to benefit from consumption and consumption related activities and up to 20% in equity and equity related securities of companies other than consumption and consumption related activities.

## Opportunity across sizes - LEAP



### Large Cap - Leader

Top 100 companies

- Well established businesses
- Mature players with long track record
- Higher liquidity
- Stable earnings growth and less volatile

### Mid Cap - Emerging Aspirants

101<sup>st</sup> to 250<sup>th</sup> companies

- Potential Large Caps
- Proven track record with higher growth prospects
- Comparatively higher volatility versus Large Caps
- Potential valuation multiple re-rating candidates

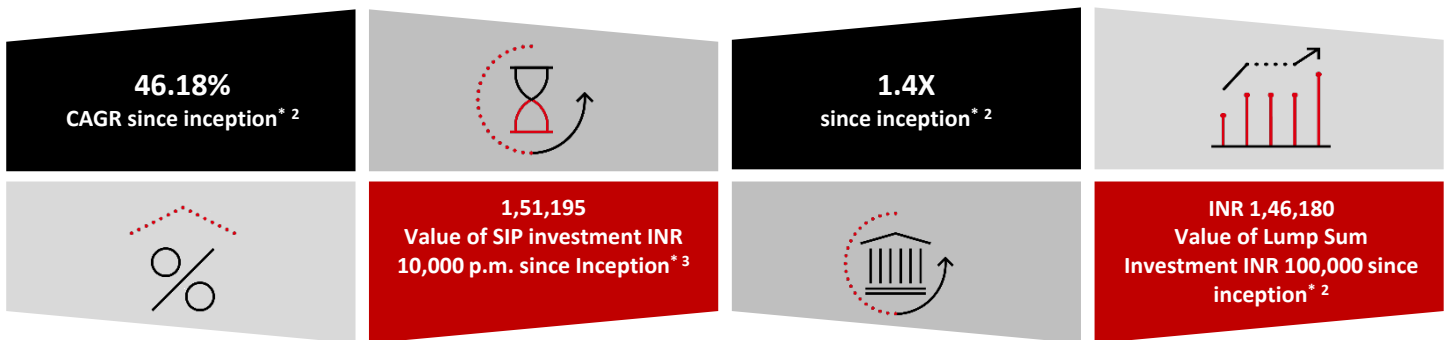
### Small Cap - Pearls

251<sup>st</sup> company and beyond

- Niche and emerging businesses
- High potential for growth
- Relatively more volatile and less liquidity
- Higher research arbitrage

## Grow with HSBC Consumption Fund

HSBC Consumption Fund aims to invest a minimum 80% weight equities & equity related securities of companies engaged in or expected to benefit from consumption and consumption related activities and up to 20% in equity and equity related securities of companies other than consumption and consumption related activities.



Portfolio	% to net assets	Industry - Allocation	% to net assets
Bharti Airtel Limited	5.51%	Consumer Durables	19.55%
Varun Beverages Limited	4.98%	Retailing	15.12%
PB Fintech Limited	3.86%	Beverages	8.61%
Avenue Supermarts Limited	3.70%	Automobiles	5.61%
Multi Commodity Exchange of India Limited	3.62%	Capital Markets	5.55%
Titan Company Limited	3.62%	Telecom - Services	5.51%
Zomato Limited	3.55%	Realty	5.18%
Hindustan Unilever Limited	3.44%	Healthcare Services	4.98%
Dixon Technologies (India) Limited	3.43%	Diversified FMCG	4.56%
Kalyan Jewellers India Limited	3.04%	Leisure Services	4.55%

<sup>2</sup> As on 30 August 2024 of Growth option regular plan. During the same period, scheme benchmark (Nifty India Consumption Index TRI) has moved by 1.4X to Rs 1,47,010 from Rs 100,000 and delivered return of 47.01%. Please refer page no. 3 for detailed performance of HSBC Consumption Fund.

<sup>3</sup> During the same period, value of scheme benchmark (Nifty India Consumption Index TRI) has moved to 1,51,065.

**Exit Load:** If units redeemed or switched out are upto 10% of the units purchased or switched in 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, The exit loads set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively.

**Month End Total Expenses Ratios (Annualized)**<sup>2</sup> – Regular<sup>3</sup>: 2.09%, Direct: 0.72%

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).

Fund Manager - Gautam Bhupal Effective 31 Aug 2023. Total Schemes Managed - 13				
Fund Manager - Anish Goenka Effective 01 Oct 2023. Total Schemes Managed - 1				
Fund Manager - Sonal Gupta Effective 31 Aug 2023. Total Schemes Managed - 25				
Fund / Benchmark (Value of Rs 10,000 invested)	6 Months		Since Inception	
	Amount in Rs	Returns %	Amount in Rs	Returns %
HSBC Consumption Fund-Regular Plan	14618	46.18	14618	46.18
Scheme Benchmark (Nifty India Consumption TRI)	14701	47.01	14701	47.01
Additional Benchmark (Nifty 50 TRI)	13264	32.64	13264	32.64

31-Aug-23

**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 August 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

SIP Performance - HSBC Consumption Fund*-- Regular Plan		
Scheme Name & Benchmarks	1 Year	Since Inception
Total amount invested (₹)	120000	120000
Market Value as on August 30, 2024 (₹)	1,51,195	1,51,195
Scheme Returns (%)	51.75	51.75
Nifty India Consumption TRI - Scheme Benchmark (₹)	1,51,065	1,51,065
Nifty India Consumption TRI - Scheme Benchmark Returns (%)	51.52	51.52
Nifty 50 TRI - Additional Benchmark (₹)	1,41,088	1,41,088
Nifty 50 TRI - Additional Benchmark Returns (%)	34.29	34.29

Inception Date: 20-Aug-14

**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 30 August 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)
<p><b>HSBC Consumption Fund</b></p> <p>(An open ended equity scheme following consumption theme)</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 of companies engaged in or expected to benefit from consumption and consumption related activities</li> </ul>	<p>Investors understand that their principal will be at Very High risk</p>	<p>As per AMFI Tier I Benchmark i.e. Benchmark : Nifty India Consumption Index 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 30 August 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

<sup>1</sup>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.

<sup>2</sup>TER Annualized TER including GST on Investment Management Fees

<sup>3</sup>Continuing plans

# Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

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

\*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>.

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Source – HSBC Mutual Fund, Data as of 30 August 2024. **Past performance may or may not be sustained in the future and is not indicative of future results.**

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