






## Leveraging India's wealth effect

# HSBC Financial Services Fund

(An open-ended equity scheme investing in financial services sector)

NFO Date: 6 – 20 February 2025  
NFO Note

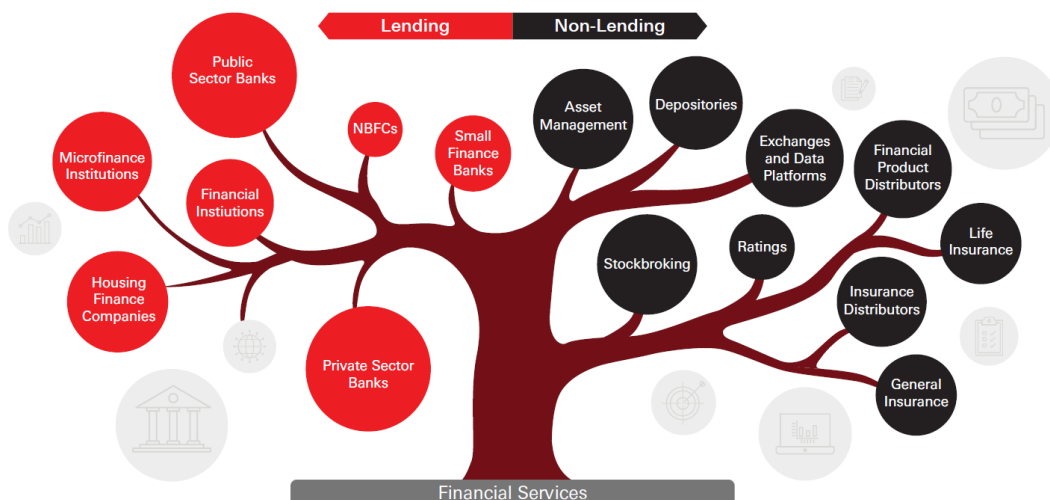
## Financial sector to grow 2x of GDP to achieve the Viksit Bharat ambition

	2023				2030P	2047P	Growth Multiples (2047P vs. 2023)
	USA	China	Germany <sup>^</sup>	India	India	India	
 GDP (in \$ Tn)	27	18	5	3.4	7	30	8.8x
 Financial Assets <sup>1</sup> (in \$ Tn)	135	78	21	6.4	15	120	18.8x
 Bank Assets <sup>1</sup> (in \$ Tn)	32	52	12	3.1	7	45	14.5x

India's banking industry will need to add \$4tn in capital in the next 2 decades to create the multiplier effect to reach the Viksit Bharat GDP target<sup>#</sup>

Source: RBI, Financial Stability Board, World Bank, Federal Reserve, Bundesbank, BCG analysis, # FICCI-IIBA-BCG report titled 'Banking for a Viksit Bharat', HSBC Mutual Fund. Note: 1. 2023 numbers for US, China and <sup>^</sup> 2022 for Germany basis respective year's Financial Stability Board report. Map of India is used for illustrative purpose only and is not a political map of India. P – Projected. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

## Financial services sector offers diverse collection of growing themes

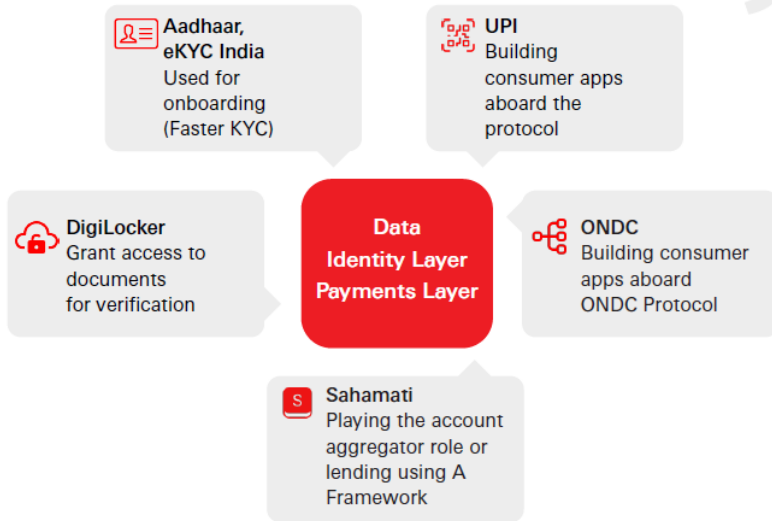


Sources: HSBC Mutual Fund. The above information is for illustrative purposes only. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content 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). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

# Government initiatives have accelerated the pace of growth in the sector

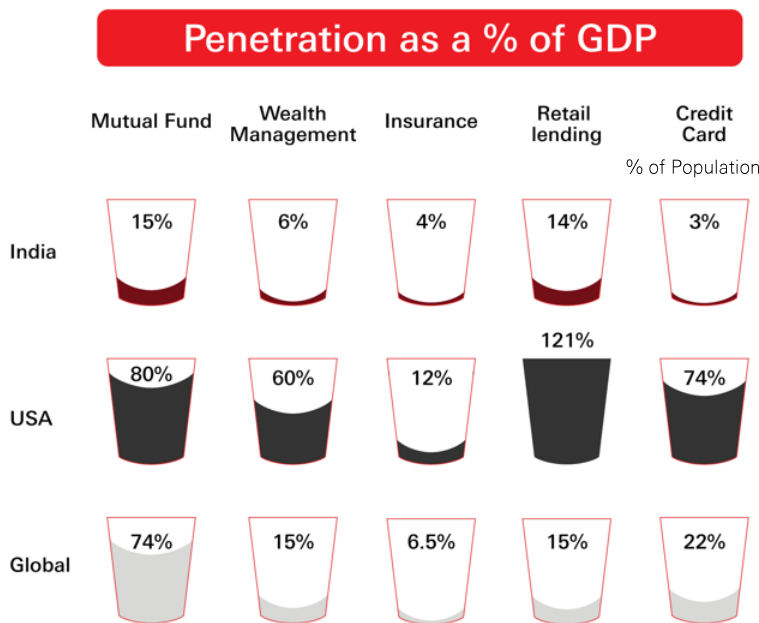
“It took us 6 years to get to our first 60k customers, each of whom had to sign and courier 40+ pages of forms and wait for days. We got to 1 crore customers in the next 6 years, entirely eliminating paper in the process. This was enabled by eKYC, digital signatures (esigns) and digital documents (DigiLocker)”

– Founder & CEO at leading online brokerage firm

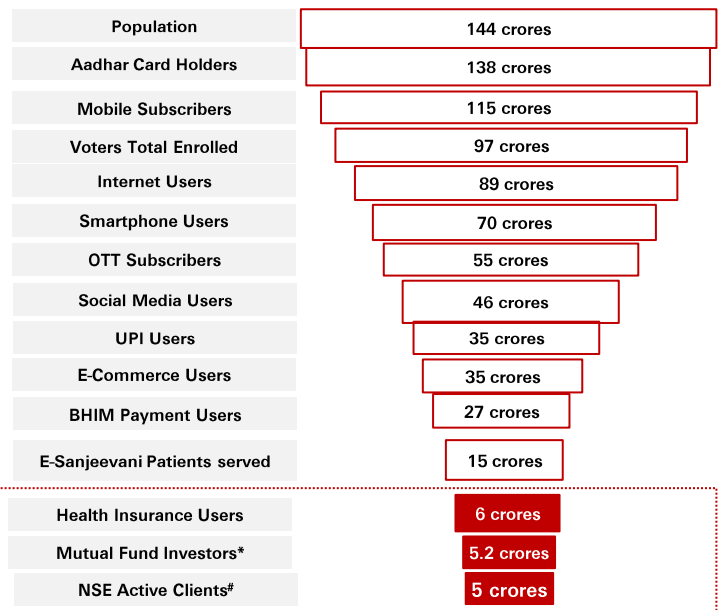


Sources: Beams Internal analysis, HSBC Mutual Fund. The above information is for illustrative purposes only. UPI - Unified Payments Interface, ONDC - Open Network for Digital Commerce, OCEN - Open Credit Enablement Network, CDBC - Central bank digital currency, DPI - Digital Public Infrastructure

# Financial services products still have low penetration in India



## India stack



Source: Beams Fintech Internal analysis, RBI report, AMFI, NSE, SEBI, HSBC Mutual Fund. # Data as at December 2024. \* Data as at November 2024 as latest available. The above details provided basis on sourced information 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). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

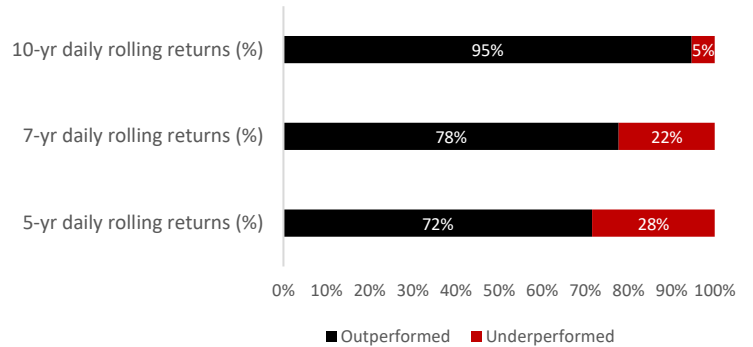
# Financial Services has consistently outperformed across periods

BSE Financial Services TR Index has outperformed 95% of the times to the broader Nifty 50 TR Index

**BSE Financial Services Index TRI vs Nifty 50 TRI - 10 year rolling returns**



**BSE Financial Services Index TRI vs Nifty 50 TRI**



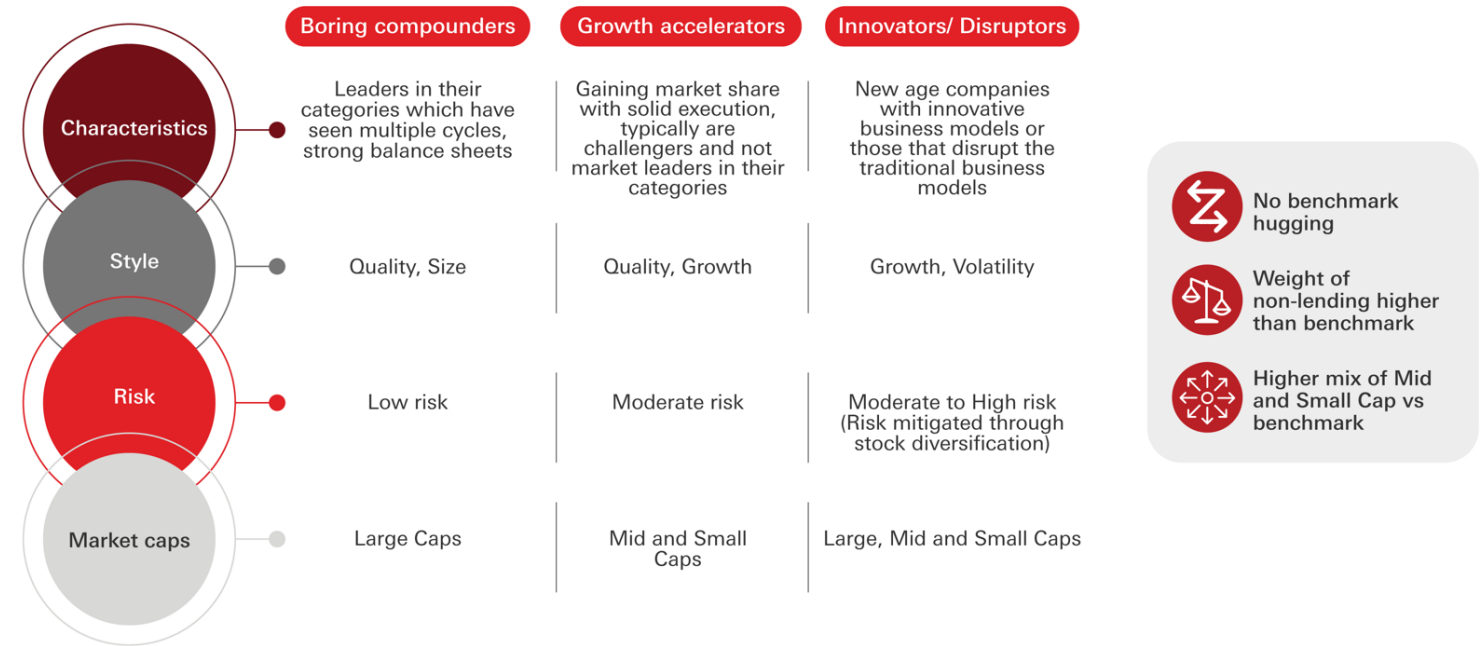
Investing for the long-term can deliver returns for Financial Services sector

Source: MFI Explorer, HSBC Mutual Fund. The above details provided basis on sourced information only. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

# HSBC Financial Services Fund – Coming together of two powers

Source: HSBC Mutual Fund, For illustration purposes only. High RoE ideally indicates good quality companies which require minimum capital to grow their business. The sector(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). Past performance may or may not be sustained in future and is not a guarantee of any future returns. RoE – Return on Equity

# Our portfolio construction approach





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Fund Manager	Benchmark
Gautam Bhupal	<ul style="list-style-type: none"> <li>As per AMFI Tier 1 Benchmark i.e. Benchmark Index : BSE Financial Services Index - Total Return Index (TRI)</li> </ul>

## Investment Objective

The investment objective of the scheme is to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related securities of companies engaged in financial services businesses. There is no assurance that the investment objective of the scheme will be achieved.

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter
<p><b>HSBC Financial Services Fund</b> (An open-ended equity scheme investing in financial services sector)</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 financial services businesses</li> </ul>	 <p>The risk of the scheme is Very High Risk</p>	<p><b>As per AMFI Tier I Benchmark i.e. Benchmark Index: BSE Financial Services Index TRI</b></p>  <p>The risk of the benchmark is Very High Risk</p>

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

The product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the Scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

## Past performance may or may not be sustained in the future and is not indicative of future results.

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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](mailto:investor.line@mutualfunds.hsbc.co.in) | Website: [www.assetmanagement.hsbc.co/in](http://www.assetmanagement.hsbc.co/in)

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

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