SIP

JUST AN 'AVERAGE' STORY

SIP : Just An 'Average' Story

Traditionally, most of us have been harsh on the idea of being "average" as we keep saying "that was an average movie", "she is just an average student", etc.

Our argument to that is, "average" is not just good enough, but is **'the thing'** one should strive to achieve as far as equity investing by individual investors is concerned.

> **All I Knew Is That I Never Wanted To Be Average** - *Michael Jordan*
>
> **Never settle for Average** - *Steve Jobs*
>
> **Success and average don't have anything to do with each other** - *Eric Thomas*

Warning: These quotes may not be applicable to individual investors in the world of Equity Investing

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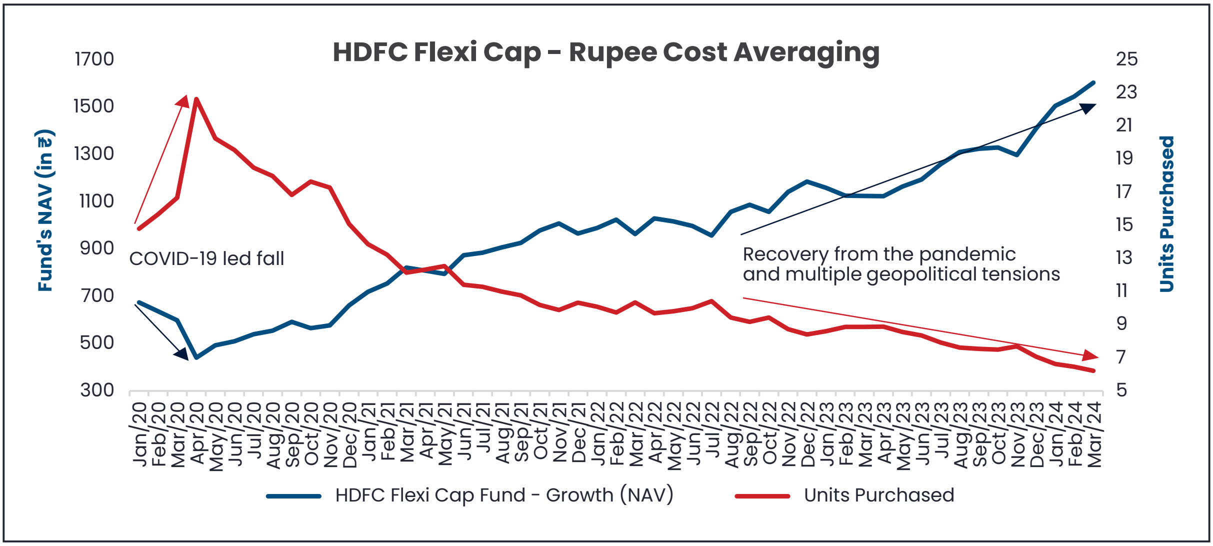
Rupee Cost Averaging : The Most Important Innovation in Finance

Rupee Cost Averaging :

Automatically invest a particular amount in a scheme periodically i.e. daily, weekly, monthly or quarterly irrespective of the ups and downs of the market movement. Rupee cost averaging helps an investor to average out his / her cost by buying more units when the market is down, and less units when the market is up.

An example of a 51-month* SIP done in HDFC Flexi Cap Fund through
COVID-19 crisis and multiple geopolitical conflicts



Source: MFI Explorer, Last Date of SIP in the chart above: March 01, 2024

- Monthly* Installment of ₹10,000
  (*SIP Date-1st business day of every month)
- No. of units bought in Apr 2020 – 23
- No. of units bought in November 2023 – 8
- Rupee Cost Averaging at its best

SIP - Systematic Investment Plan

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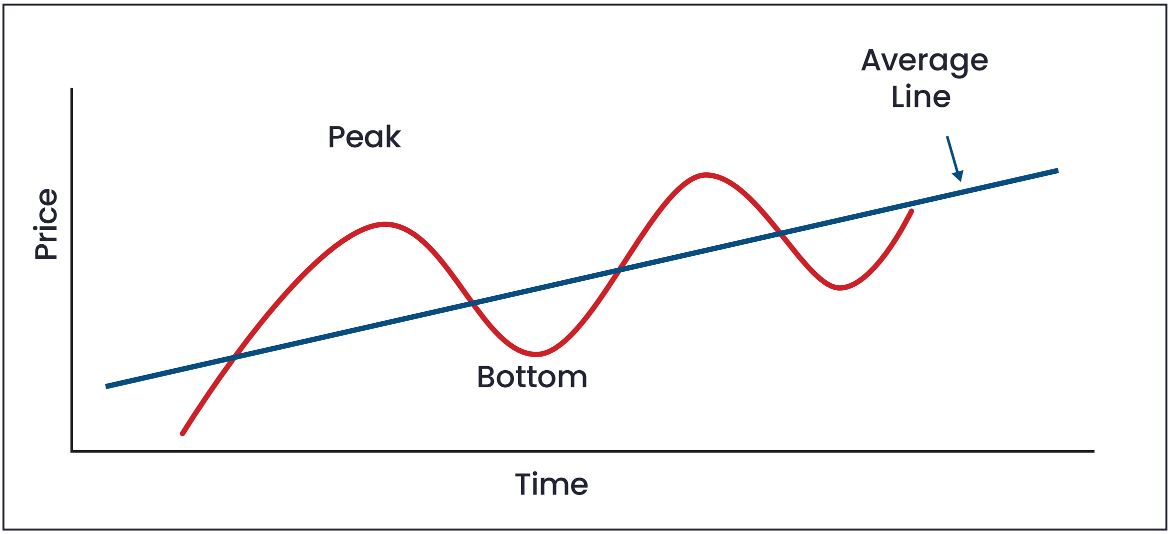
Understanding Market Cycles

Market Cycles:

Markets oscillate between high (overvalued) and low (undervalued) levels from time to time.



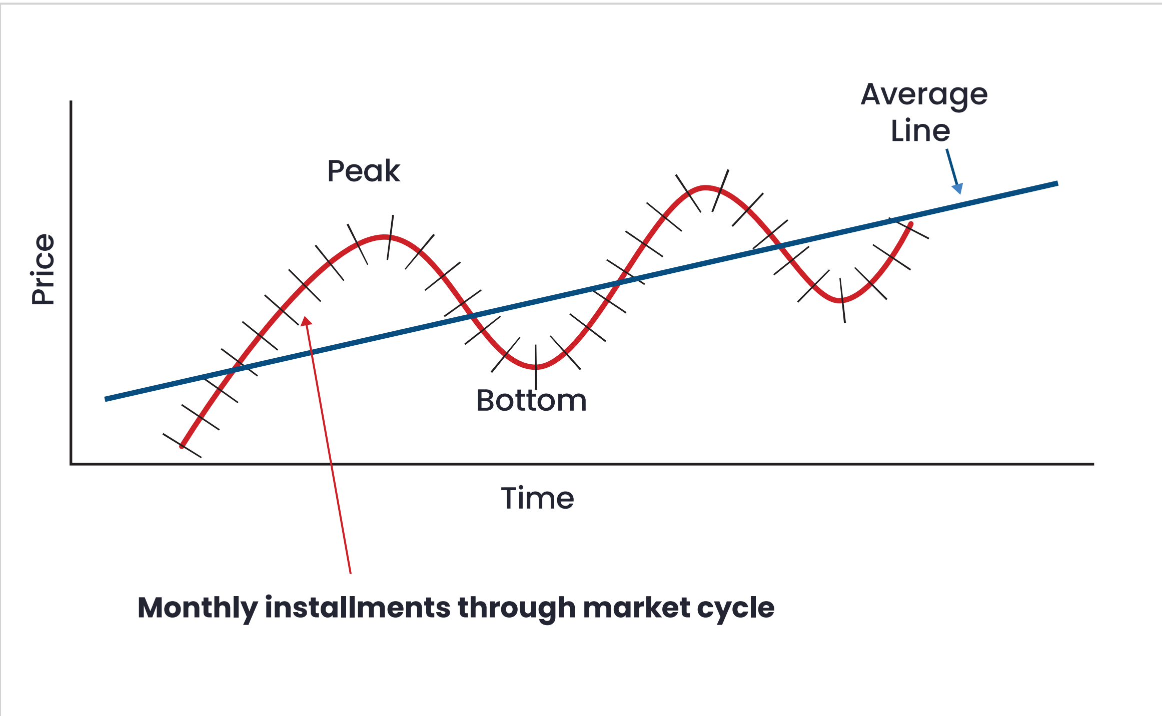
WHAT TO DO?

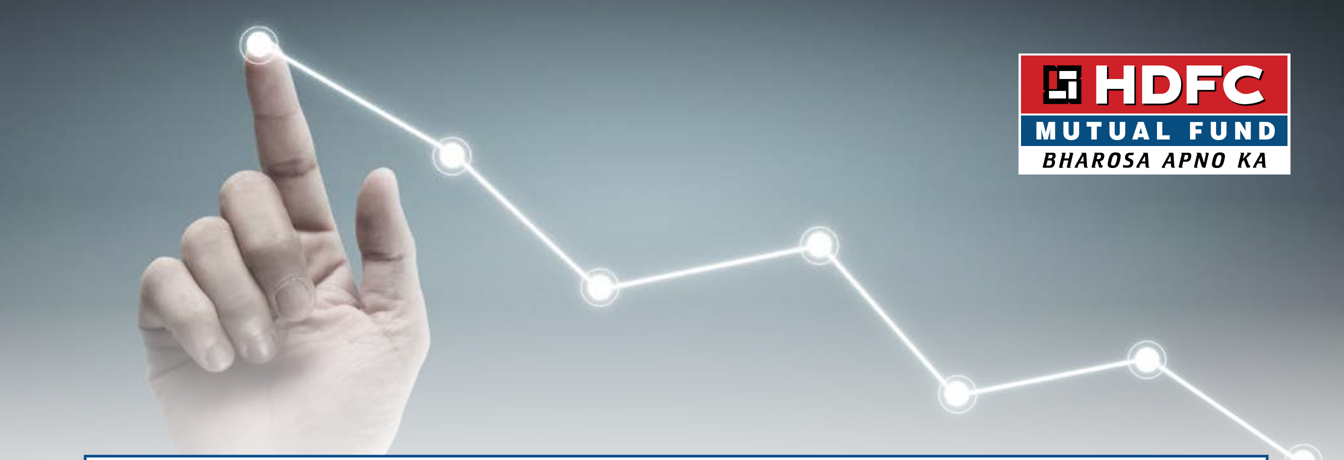
Buy Low and Sell High? But, this is impossible to do on a consistent basis

Capture the average?
This is the smarter thing to do.

How to achieve this?
A Simple SIP is good enough to capture the average.

Capturing the Average with SIP





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Wondering Why the Average Line (previous page) has been Upward Sloping?

Factors in favour of India's growth over the next few decades :

- Favourable demographics
- Large availability of skilled, young, English speaking and competitive manpower
- Rich in natural resources
- Low penetration of consumer goods and improving affordability
- Large unmet needs of infrastructure
- Strong reforms momentum
- Shift underway in global manufacturing
- Among the fastest growing economies in the world

Participate in India’s growth story with SIPs

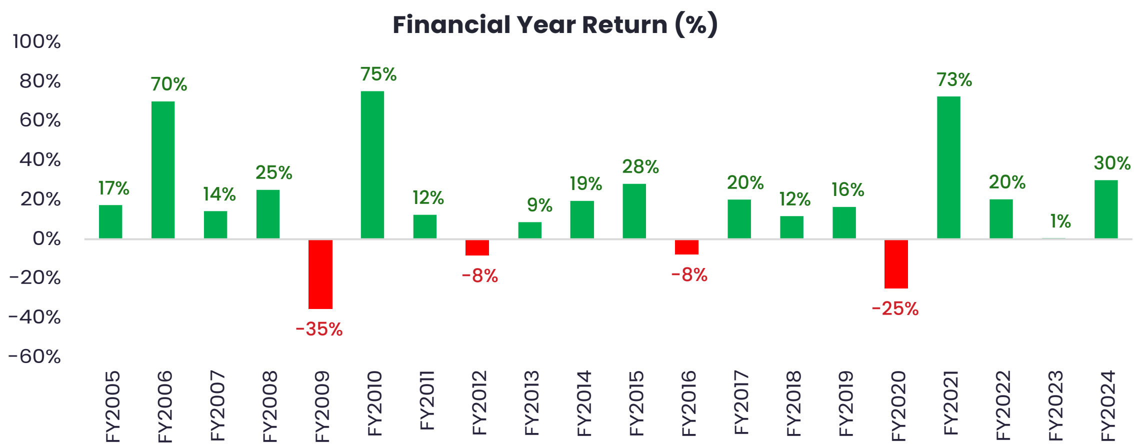
- Indian economy is expected to grow at a healthy rate over the next few decades
- The healthy economic growth to reflect in terms of robust growth in businesses
- The growth in businesses could have a positive impact on returns on equity investments

HOWEVER...

Volatility# : The unchangeable rule in markets

NIFTY 50 Financial Year Returns

Greed: An investor who had invested in equity markets at the start of FY 2010 *(when markets jumped 74%)* gets caught up in greed with a desire to acquire as much wealth as possible in the shortest time.



Fear: Conversely, an investor who had invested a large sum of money at one go, in equity markets at the start of FY 2009 *(when markets corrected)* would always perceive equity markets as risky and would generally avoid equities.

Volatility in markets leads us to take emotional decisions.
Hence, SIP is a disciplined way to invest in equities for individual investors.

#Volatility refers to frequent and extreme upward and downward movements in stock prices.

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Keep your emotions away from Investing through SIPs

Greed and Fear in Market Cycles

Human beings are guided by 2 extreme emotions "Greed" and "Fear", which prevent them from taking sound investment decisions.

When there are excesses in the stock market, Greed sets in, which in turn results in major correction, thereby triggering the Fear psychology. Most of the investors are trapped in the greed and fear cycles by buying in greed and selling in fear, resulting in a bad investment experience.

	Just made handsome gains	Just made large losses	An SIP Investor
Approach to investing	I am sure I can repeat my success	I should never have made these investments	I am ready for the long journey ahead
Urge to act	Yes	Yes	No
Impact on asset allocation	Moves to increase exposure to equities beyond optimal levels	Exits equities	No change; Maintains balance

The stock market is a device for transferring money from the impatient to the patient. - Warren Buffett

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Events that have impacted the Markets

Events that have impacted the markets :

1997	Asian Currency Crisis
1998	Pokhran Nuclear Test, US Sanctions
1999	Kargil War, NDA forms Central Government
2000	Dot Com Bubble
2001	9/11 Terror Attacks in US
2004	NDA loses Lok Sabha elections
2008	Collapse of Lehman Brothers,Global Financial Crisis
2009	Rulling UPA re-elected in India, Satyam Scam
2010	European Sovereign Debt Crisis
2011	USA's Credit Rating downgraded
2013	Taper Tantrum (Surge in US Yields), High Twindelicit in India (CAD and Fiscal Deficit)
2014	NDA forms Central Government
2016	Demonetisation, Brexit
2017	GST Rollout
2018	Trade War, Surge in Crude Oil Price
2019	NDA forms Central Government
2020	COVID-19
2022	Ukraine Russia war
2023	Israel-Hamas War

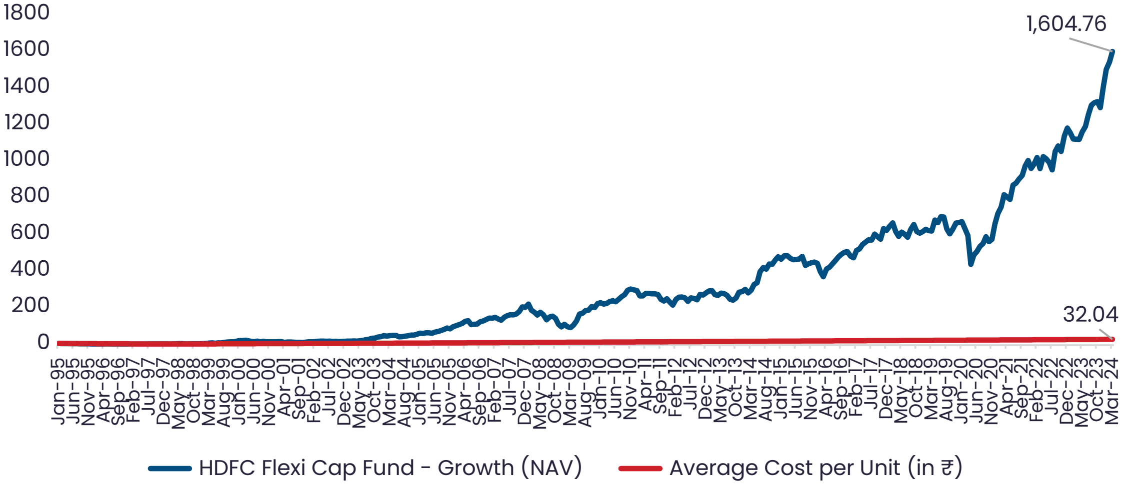
Relevance of these events for a long term SIP investor?
Nil

Let's look at an example..

Power of SIP

Long term SIP in HDFC Flexi Cap Fund
A Truly Rewarding Journey

Let's assume an investor who started an SIP of ₹1,000 in HDFC Flexi Cap Fund - Growth, and continued this till March 31, 2024



Source: MFI Explorer.

Can you guess what is average cost of the units accumulated via SIP?
Answer - ₹32.0

The reason for lower average cost is the disciplined approach to investing where more units were accumulated at lower NAV during the early stage of the SIP period.

Who Needs SIP?

We can broadly divide two types of people who need SIP for investing

Ones who understand markets and basics of investing	Ones who do not understand markets and basics of investing

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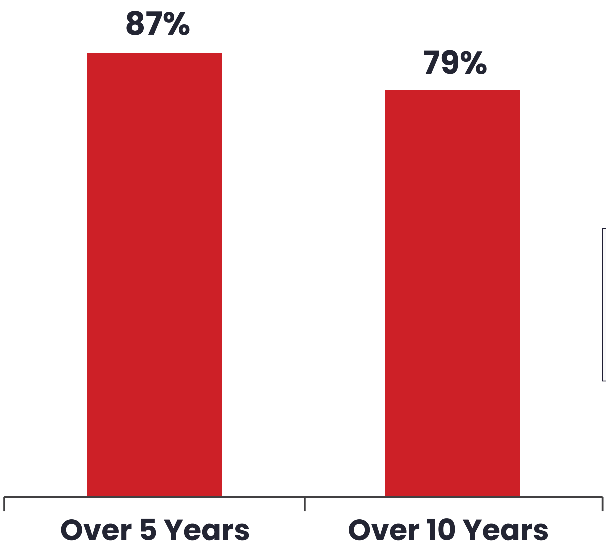
Think Long Term When It Comes To SIP

HDFC MF SIP – Tenure chosen by investors



Most of our SIP investors think long term

Source: Internal
Based on tenure at the time of registration of all live SIPs during December 2023.

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Laziness & Forgetfulness

No doubt laziness and forgetfulness are negative human traits, but can prove useful in stock markets for individual investor for "staying invested" for a long time.

Advantages in the "invest and forget" approach:

- Risk in equities reduces with long term approach
- No need to lose sleep over market movements
- No need to track your investments every now and then
- No urge to keep 'doing something'

Do something today that your future self will thank you for
- *Sean Patrick Flanery*

You have to act and act now - *Larry Ellison*

Success is not easy and it is certainly not for the lazy - *Anonymous*

Warning: These quotes may not be applicable to individual investors in the world of Equity Investing

FOUR Mantras of Successful Investing

- Start Early
- Stay invested
- Invest Regularly
- Ensure asset allocation

Let's look at them in detail!

Starting Your SIP Early Makes an impact!

The below illustration is to showcase how you need to invest larger sums as you delay your retirement saving and how much it costs you in the long run. S&P BSE Sensex has delivered a rate of return of 14.38% for a period of 28 years (PRI values considered), 14.84% for a period of 20 years, and 14.97% for a period of 10 years (TRI values considered).

	Start @ 32 Yrs	Start @ 40 Yrs	Start @ 50 Yrs
Investment Amount Per Month	5,000	7,000	14,000
Amount Invested	16,80,000	16,80,000	16,80,000
Rate of Return (p.a)*	14.38%	14.84%	14.97%
Value of Retirement Corpus @ 60 Years of age	2,27,09,519	1,03,67,373	38,93,209
Delay by 10 years would reduce your corpus by	NA	54.3%	62.4%

...A delay in 10 years would have cut your retirement corpus by more than 50% at every step even though you may have invested the same amount over time.

Source: MFI Explorer

Past performance may or may not be sustained in future and is not a guarantee of any future returns. HDFC AMC / HDFC Mutual Fund is not guaranteeing / offering / communicating any indicative yield on investments made in the scheme(s).

*Returns: Mean of 28-year daily rolling returns of S&P BSE Sensex between 03/04/2007 and 29/02/2024, Mean of 20-year daily rolling returns of S&P BSE Sensex TRI between 19/08/2016 and 29/02/2024, Mean of 10-year daily rolling returns of S&P BSE Sensex TRI between 21/08/2006 and 29/02/2024. Since the values of S&P BSE Sensex TRI are available from 19-Aug-1996, PRI values have been used for the calculation of rolling returns for the 28-year period

Invest Regularly

SIP helps to stay disciplined in your investment journey

A small sacrifice	**Skip 1 cigarette per day** i.e., 365 cigarettes in a year	**Skip 1 beer over weekend** i.e., 52 beers over a year	**Spend less** on movies / dinner
Cost	Cost of 1 cigarette - ₹18	Cost of 1 pint - ₹300	Spend ₹1500 less on movies / dinner every month
Amount Saved per year (in ₹)	6,570	15,600	18,000
If you had invested the amount saved annually in S&P BSE Sensex for the next 30 years, the accumulated amount as on February 29, 2024 is as follows:			
Rate of Return(%)*	14.57	14.57	14.57
Accumulated amount at the end of 30 years (in ₹)	**30,06,789**	**71,39,408**	**82,37,778**

> **Do not save what is left after spending, but spend what is left after saving** - Warren Buffet

*Returns: Mean of 30-year daily rolling returns of S&P BSE Sensex between 06/04/2009 and 29/02/2024. Since the values of S&P BSE Sensex TRI are available from 19-Aug-1996, PRI values have been used for the calculation of rolling returns

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Delaying is not the solution – Always a Good Time to start an SIP

The **"right time to start an SIP"** still tends to elude a lot of investors. However, this is actually counter-intuitive in SIPs as the main idea of starting an SIP is to eliminate the need to time the market.

Example of starting regular investing early resulting in long term:
HDFC Mid-Cap Opportunities Fund (launched in 2007)

Take the event of Global Financial Crisis (GFC) of 2008 where NIFTY corrected by almost 60% in a span of 9 months (January 2008 to October 2008). There could have been investors who would have started an SIP near the peak in January 2008 and some who would have started one closer to the bottom in November 2008.

SIP from GFC peak (From January 2008 till March 2024)

SIP in	Invested Amount* (in ₹ lakh)	Profit (in ₹ lakh)*	Market Value of Investment* (in ₹ lakh)	Return (% CAGR)
HDFC Mid-Cap Opportunities Fund	19.5	111.1	130.6	20.7
Benchmark (NIFTY Mid Cap 150 TRI)	19.5	92.3	111.8	19.1

*As on March 31, 2024, SIP of ₹10,000 on first day of month considered

SIP from GFC bottom (From November 2008 till March 2024)

SIP in	Invested Amount* (in ₹ lakh)	Profit (in ₹ lakh)*	Market Value of Investment* (in ₹ lakh)	Return (% CAGR)
HDFC Mid-Cap Opportunities Fund	18.5	95.9	114.4	21.1
Benchmark (NIFTY Mid Cap 150 TRI)	18.5	82.6	101.1	19.7

*As on March 31, 2024, SIP of ₹10,000 on first day of month considered
Common disclaimer for both the tables: For complete performance details, refer Page 30. **Past performance may or may not be sustained in future and is not a guarantee of any future returns. HDFC AMC / HDFC Mutual Fund is not guaranteeing / offering / communicating any indicative yield on investments made in the scheme(s).**
For complete performance of the Scheme in SEBI prescribed format, please refer page no 30

Whether investors started an SIP when NIFTY was above 6,000 in January 2008 or when NIFTY was close to 3,000 in November 2008, it did not have a material bearing on their SIP returns over the long term. ***If at all anything, the delay on account of waiting for the bottom and starting the SIP later would have resulted in less wealth creation to the tune of ~16 lakh*** (₹130.6 lakh vs ₹114.4 lakh). In contrast, invested amount would have been lower by only ₹1 lakh (₹19.5 lakh vs ₹18.5 lakh or ₹10,000*10 installments).

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Should you PAUSE your SIP?

To benefit from SIP, one should invest on periodic basis and not allow emotions to drive their investment decisions.

Below table shows example of two individuals, Mr. A and Mr. B, both started their SIP journey in HDFC Flexi Cap Fund on 1st April 2018. During the beginning of COVID 19, Mr. A paused his SIP for 6 months between April 2020 and October 2020 (driven by fear of COVID 19 impact on markets) while Mr. B continued with his disciplined approach of investing regularly. Here are the results:

	A	B
SIP Start Date	1st April 2018	1st April 2018
SIP Pause	Yes	No
Pause Period	6 months	NA
Amount Invested	6,60,000	7,20,000
Market Value as on March 31, 2024	12,82,244	**14,68,240**
Difference		**1,85,997**

> Lenin said that, **There are decades where nothing happens, and there are weeks where decades happen.**

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For complete performance of the Scheme in SEBI prescribed format, please refer page no 30

Does the Frequency of SIP hold key when investing in Mutual Funds?

Systematic Investment Plans (SIPs) in mutual funds can be done at multiple frequencies – daily, weekly, monthly and quarterly. A common dilemma in an investor's mind tends to be the choice of frequency when doing an SIP in a scheme. Against this backdrop, let us look into the data to clear that dilemma.

Let's consider 4 frequencies – daily, weekly, monthly and quarterly of an investor's ongoing SIPs in the Regular Plan of HDFC Flexi Cap Fund (the Scheme). The chart below shows the SIP returns generated under different frequencies vis-à-vis NIFTY 500 TRI over a 5-year and 10-year period.

Last 10 years			Last 5 years		
Frequency of SIP*	HDFC Flexi Cap Fund (SIP Returns)	NIFTY 500 TRI (SIP Returns)	Frequency of SIP*	HDFC Flexi Cap Fund (SIP Returns)	NIFTY 500 TRI (SIP Returns)
Daily SIP	17.96%	16.21%	Daily SIP	26.69%	21.59%
Weekly SIP	17.94%	16.20%	Weekly SIP	26.58%	21.53%
Monthly SIP	17.93%	16.19%	Monthly SIP	26.58%	21.56%
Quarterly SIP	18.03%	16.28%	Quarterly SIP	26.65%	21.72%

Source: MFI Explorer, Returns as on March 31, 2024. *SIP done at the end of every day / week / month / quarter.
Returns are compounded annualized in nature.
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
For complete performance of the Scheme in SEBI prescribed format, please refer page no 30

As we can observe from the table above, among the frequencies chosen, the divergence in returns for the Scheme and NIFTY 500 TRI for both time frames has been very low.

It turns out that starting an SIP, and continuing with it for a long period, is more important than the frequency of SIP.

An interesting and an encouraging trivia:

79% of the SIP investors in the Schemes of HDFC MF have chosen an investment tenure of over 10 years!

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Give a Hike to your SIP Amount too

Why Top-up?

01 Let your SIPs keep pace with inflation

02 Aim to build a sizeable corpus

03 Convenient way to increase SIP vs manually registering for new SIPs

How does it work?

An Illustration

SIP Period: 01-Feb-2014 to 01-Jan-2024 (10 Years)

Monthly initial SIP Installment Amount: ₹3,000

SIP Date: 1st of every month (120 instalments)

Top-up Percentage: 10%

Top-up Frequency: Annual

Instalment No(s).	From Date	To Date	Top-up Amount [10% increase]	SIP Top-up round off (Amount in ₹)	SIP Installment including Top-up (Amount in ₹)	Final Value of Investment (in ₹)
1 to 12	01-Feb-14	01-Jan-15	0	0	3,000	38,575
13 to 24	01-Feb-15	01-Jan-16	300	300	3,300	87,194
25 to 36	01-Feb-16	01-Jan-17	330	330	3,630	1,47,854
37 to 48	01-Feb-17	01-Jan-18	363	360	3,990	2,22,909
49 to 60	01-Feb-18	01-Jan-19	399	400	4,393	3,15,135
61 to 72	01-Feb-19	01-Jan-20	439	440	4,832	4,27,800
73 to 84	01-Feb-20	01-Jan-21	483	480	5,312	5,64,746
85 to 96	01-Feb-21	01-Jan-22	531	530	5,845	7,30,488
97 to 108	01-Feb-22	01-Jan-23	585	580	6,426	9,30,327
109 to 120	01-Feb-23	01-Jan-24	643	640	7,071	11,70,485

Topping up / increasing a ₹3,000 SIP by just 10% every year increases the corpus at the end of 10 years by 45%

Rate of Return over the tenure - 14.97%*
With Normal SIP, Market Value of Investment: ₹8.21 lakh
With Top-Up SIP, Market Value of Investment: ₹11.70 lakh

*Returns: Mean of 10-year daily rolling returns of S&P BSE Sensex TRI between 21/08/2006 and 29/02/2024.
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Repay your home loan smartly

Assume you had taken a **home loan of ₹32 lakh in 2004** at the rate of **8.25%**^. The EMI payable for **15 year period** would have been **₹31,044**. However, if you had extended the **loan period to 20 years,** the same EMI would have reduced to **₹27,266.**

So rather than taking a shorter loan period, you could have opted for a 20 year loan period and started an **SIP of the differential amount i.e. ₹3,778** in an Equity Mutual Fund scheme of your choice.

Who is smarter at repaying a home loan of ₹32 Lakhs?	 **Mr. X**	 **Mr. Y**
Loan repayment term	15 years	20 years
EMI per month started in 2004^ (in ₹)	31,044 (A)	27,266 (B)
SIP per month in S&P BSE Sensex TRI in 2004 (in ₹)	-	3,778 (A-B)
After 15 years		
Total EMI paid (in ₹)	55,88,008	49,07,898
Total SIP Investment	NIL	6,80,110
Rate of Return of S&P BSE Sensex TRI (p.a.)*	-	14.37%
Principal outstanding (in ₹)	NIL	13,36,819
Total SIP Corpus# (in ₹)	-	**24,02,648**
SIP corpus left after paying O/S principal (in ₹)		**10,65,829**

^Source: SBI Home Loans: 8.25% is the floating rate for a home loan (greater than 10 years).

*Returns: Mean of 15-year daily rolling returns of S&P BSE Sensex TRI between 19/08/2011 and 29/02/2024.

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Alternatively, if you could not opt for a 20 year home loan due to any reason, you could have chosen to set aside a marginal amount (0.25% of loan amount of ₹32 lakh) from your savings and started an SIP with a aim to recover the interest on your loan.

Principal (in ₹)	32,00,000
EMI per month (in ₹)	31,044*
Total EMI to be paid over 15 years (in ₹)	55,88,008
Hence, total interest to be paid (in ₹)	**23,88,008**

Start an SIP which is 0.15% of loan amount

Rate of Return#	**14.37%**
SIP per month in an equity-oriented scheme (in ₹)	**8,000** (Monthly SIP as a % of Loan Principal)
Total SIPs over 15 years (in ₹)	**14,40,000**
Final value of SIP after 15 years (in ₹)	**50,87,136**
Capital Appreciation (in ₹) (greater than the interest component of home loan)	**36,47,136**
Difference (SIP Appreciation-Interest on Loan)	**12,59,128**

*Source: SBI Home Loans: 8.25% is the floating rate for a home loan (greater than 10 years). #Returns: Mean of 15-year daily rolling returns of S&P BSE Sensex TRI between 19/08/2011 and 29/02/2024. **Past performance may or may not be sustained in future and is not a guarantee of any future returns. HDFC AMC / HDFC Mutual Fund is not guaranteeing / offering / communicating any indicative yield on investments made in the scheme(s).**

Allocate Right

Channelize your SIP into three different asset classes

SIP

Equity
- HDFC Flexi Cap Fund
- HDFC Top 100 Fund
- HDFC Mid-Cap Opportunities Fund
- HDFC Small Cap Fund

Debt
- HDFC Corporate Bond Fund
- HDFC Low Duration Fund
- HDFC Medium Term Debt Fund

Gold
- HDFC Gold Fund^

These are some of the funds offered by HDFC Mutual Fund.
These are not recommendations, investors should consider their risk profile or consult their advisors before investing.
^Note: Investors in the Scheme shall bear the recurring expenses of the Scheme in addition to the expenses of other schemes in which Fund of Funds scheme makes investment (subject to regulatory limits)

Achieve your financial goals through SIPs

Wealth creation

Retirement

Children's education

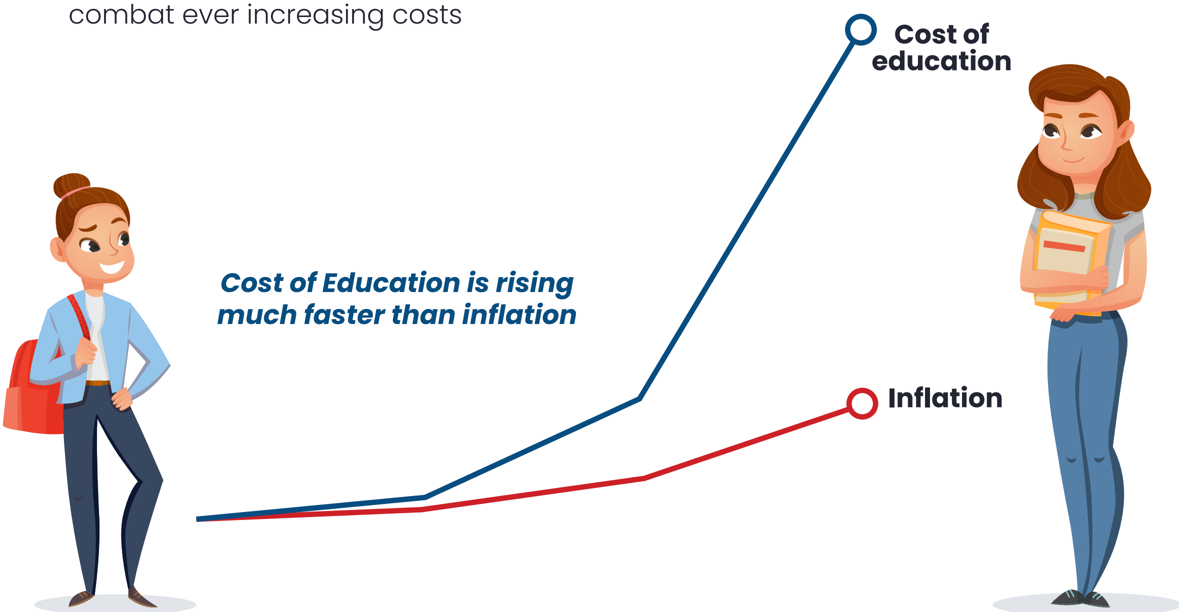
Secure Your Children's Future Through SIP

How much is enough?

With rising education costs across all professional degrees, saving for education becomes even more imperative

Child care costs also include additional costs of housing, transportation, clothing, food, health care, etc.

Long term equity investing is a suitable medium to combat ever increasing costs



The above chart is only an illustrative example to show rising cost of education and not based on actual data.

Targeting Retirement Savings of ₹1 crore

What to do?

How much do I need to invest every month?

How to Do?

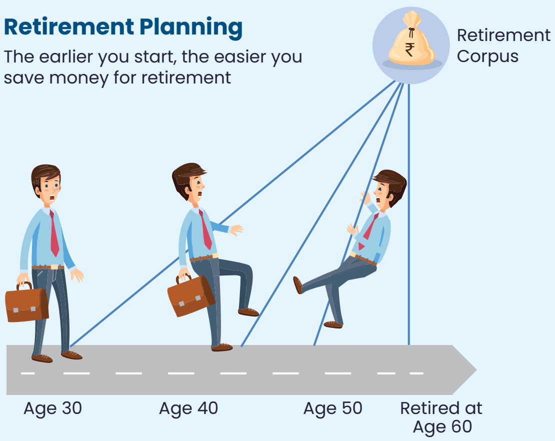
The amount you need to invest is a result of the rate of return and time.

Illustration: Monthly Investment Amount to reach a target corpus of ₹1 crore at age of 60

Age	Rate of Return (Compounded Annually)*	Monthly SIP you would have required
30	14.57%	₹ 1,576
40	14.84%	₹ 6,752
50	14.97%	₹ 35,960

Retirement Planning

The earlier you start, the easier you save money for retirement



*Returns: Mean of 30-year daily rolling returns of S&P BSE Sensex between 03/04/2007 and 29/02/2024, Mean of 20-year daily rolling returns of S&P BSE Sensex TRI between 19/08/2016 and 29/02/2024, Mean of 10-year daily rolling returns of S&P BSE Sensex TRI between 21/08/2006 and 29/02/2024. Since the values of S&P BSE Sensex TRI are available from 19-Aug-1996, PRI values have been used for the calculation of rolling returns for the 30-year period

Key Takeaways

- Start Early
- Invest Regularly
- Stay Invested

Source: MFI Explorer

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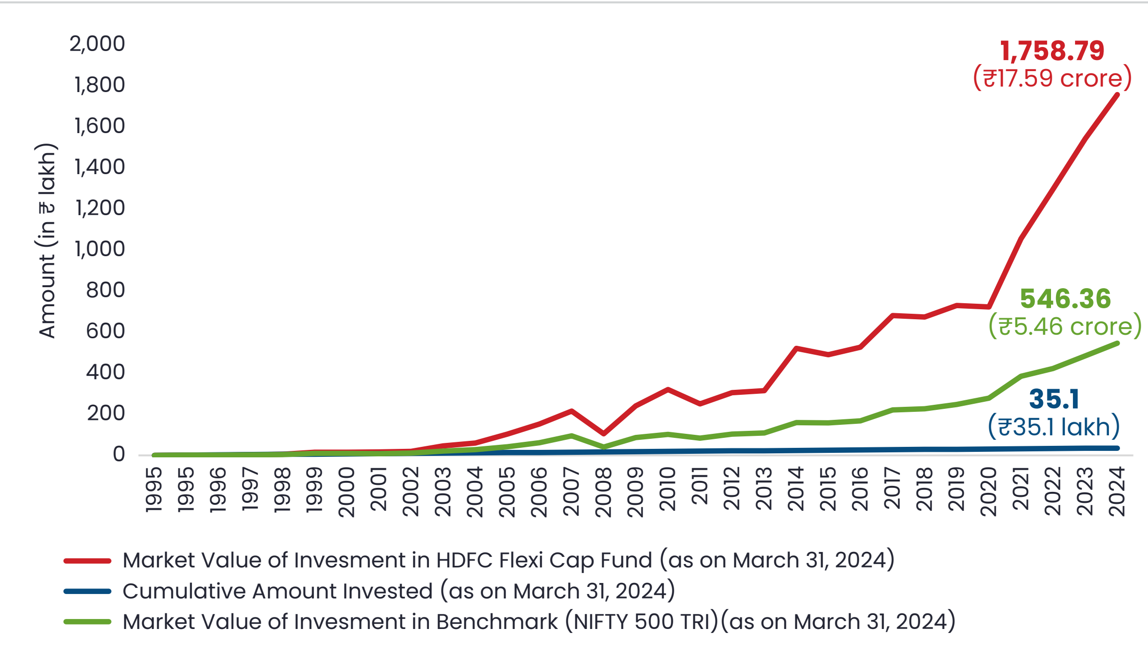
Create Wealth with SIP

HDFC Flexi Cap Fund (History of SIP)



SIP per Month	Total Investment	Market Value as on March 31, 2024	CAGR	Investment would have grown	Time Taken
₹10,000	₹35.1 Lakh	₹17.59 crore	21.25%	50 times	29 years

A SIP of ₹10,000 per month in HDFC Flexi cap Fund since Inception (January 01, 1995) would have grown to ₹17.59 crore as on March 31, 2024.

For complete performance of the Scheme in SEBI prescribed format, please refer page no 30.

Advantages of Goal-Based Systematic Investment Plans

Clarity of Purpose:

Clearly defined financial goals bring focus and alignment to your investment decisions.

Emotions Management:

Goal-based SIPs reduce the impact of emotional biases, such as fear, greed, or impulsive reactions to market fluctuations, on your investment choices.

Avoid Impulsive Withdrawals:

Goal based SIPs serve as a deterrent against impulsive fund withdrawals, as you understand that tapping into SIP funds can hinder progress toward your intended financial objectives.

Helps Avoid Overspending:

Goal-based SIPs aid in creating a budget that aligns with your financial aspirations. By allocating predetermined amounts to each goal, you avoid overspending.

Ongoing Monitoring:

Regularly tracking your progress towards achieving your financial goals ensures that you remain on the right path.

HDFC MUTUAL FUND
BHAROSA APNO KA

SIP since inception* of ₹10,000 invested systematically on the first business day of every month (total investment ₹35.10 lakh) in HDFC Flexi Cap Fund would have grown to ~₹1,759.58 Lacs on March 31, 2024 (refer below table).

A: SIP Performance - HDFC Flexi Cap Fund - Regular plan - Growth Option

SIP Investments	Since Inception*	15 year SIP	10 year SIP	5 year SIP	3 year SIP	1 year SIP
Total Amount Invested (₹ in Lacs)	35.10	18.00	12.00	6.00	3.60	1.20
Market Value as on March 31, 2024 (₹ in Lacs)	1,759.58	70.08	30.76	11.57	5.33	1.45
Returns (%)	21.26	16.47	17.91	26.62	27.33	41.60
Benchmark Returns (%)#	15.36	14.89	16.16	21.60	20.46	36.11
Additional Benchmark Returns (%)##	14.09	13.79	14.84	18.52	16.79	27.35

CAGR returns are computed after accounting for the cash flow by using XIRR method (investment internal rate of return). The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. SIP - Systematic Investment Plan.Since Inception Date = Date of First allotment in the Scheme / Plan. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

B: HDFC Flexi Cap Fund - Performance - Regular plan - Growth Option

NAV as on March 31, 2024 ₹1605.692 (per unit)

Period	Scheme Returns (%)	Benchmark Returns (%) #	Additional Benchmark Returns (%) ##	Value of ₹10,000 invested		
				Scheme (₹)	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 year	43.17	40.49	30.08	14,317	14,049	13,008
Last 3 years	26.25	19.32	16.35	20,135	16,970	15,736
Last 5 years	18.66	17.19	15.27	23,571	22,112	20,356
Since Inception*	18.95	12.55	11.82	16,05,692	3,17,633	2,62,802

*Inception Date: January 01, 1995. The Scheme is managed by Mrs. Roshi Jain since July 29, 2022. # NIFTY 500 (Total Returns Index) ## NIFTY 50 (Total Returns Index). As NIFTY 50 TRI data is not available since inception of the scheme, additional benchmark performance is calculated using composite CAGR of NIFTY 50 PRI values from January 1, 1995 to June 29, 1999 and TRI values since June 30, 1999. Since Inception Date = Date of First allotment in the Scheme / Plan. Returns as on 31st March 2024.

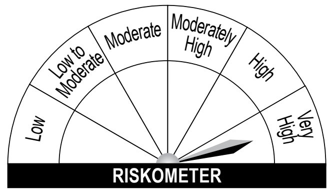
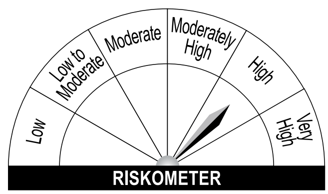
As NIFTY 50 TRI data is not available since inception of the scheme, additional benchmark performance is calculated using composite CAGR of NIFTY 50 PRI values from January 1, 1995 to June 29, 1999 and TRI values since June 30, 1999.

C: Other schemes managed by Ms. Roshi Jain, fund manager of HDFC Flexi Cap Fund who manages total 3 schemes

Scheme	Managing scheme since	Returns (%) as on March 31, 2024		
		Last 1 year (%)	Last 3 years (%)	Last 5 years (%)
HDFC ELSS Tax saver	January 13, 2022	45.63	25.71	17.00
Benchmark - NIFTY 500 (Total Returns Index)		40.49	19.32	17.19
HDFC Focused 30 Fund	January 13, 2022	40.85	27.78	18.58
Benchmark - NIFTY 500 (Total Returns Index)		40.49	19.32	17.19

Common notes for tables B & C: Past performance may or may not be sustained in future and is not a guarantee of any future returns. Returns greater than 1 year period are compounded annualised (CAGR). Load is not taken into consideration for computation of above performance(s). Different plans viz. Regular Plan and Direct Plan have different expense structures. The expenses of the Direct Plan under the scheme will be lower to the extent of the distribution expenses/commission charged in the Regular Plan. The above returns are of Regular Plan-Growth Option. Returns as on 31st March 2024. Benchmark and Additional Benchmark performance is computed as on 28th March, 2024, since values for 31st March 2024 are not available.

PRODUCT LABELING:

NAME OF SCHEME	THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*	RISKOMETER
HDFC Flexi Cap Fund (Erstwhile HDFC Equity Fund) An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks	• To generate long-term capital appreciation / income • Investment predominantly in equity & equity related instruments	 Investors understand that their principal will be at very high risk
HDFC Focused 30 Fund An open ended equity scheme investing in maximum 30 stocks in large-cap, mid-cap and small-cap category	• To generate long-term capital appreciation / income • Investments in equity & equity related instruments of up to 30 companies	
HDFC ELSS Tax saver An open ended equity linked savings scheme with a statutory lock in of 3 years and tax benefit	• To generate long-term capital appreciation / income • Investment predominantly of equity & equity related instruments	
HDFC Top 100 Fund An open ended equity scheme predominantly investing in large cap stocks	• To generate long-term capital appreciation / income • Investment predominantly in Large-Cap companies	
HDFC Mid Cap Opportunities Fund An open ended equity scheme predominantly investing in mid cap stocks	• To generate long-term capital appreciation / income • Investment predominantly in Mid-Cap companies	
HDFC Small Cap Fund An open ended equity scheme predominantly investing in small cap stocks	• To generate long-term capital appreciation / income • Investment predominantly in Small-Cap companies	
HDFC Gold Fund^ An open ended Fund of Fund scheme investing in HDFC Gold Exchange Traded Fund	• Capital appreciation over long term • Investment in Units of HDFC Gold Exchange Traded Fund (HGETF). HGETF invests in gold bullion of 0.995 fineness	 Investors understand that their principal will be at high risk

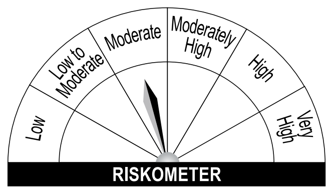
*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.
For latest Riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. **www.hdfcfund.com**

NAME OF SCHEME	THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*	RISKOMETER
HDFC Medium Term Debt Fund [An open ended medium term debt scheme investing in instruments such that the $Macaulay Duration of the portfolio is between 3 years and 4 years. A Relatively High Interest Rate Risk and Relatively High Credit Risk]	• Income over medium term • To generate income / capital appreciation through investments in Debt and Money Market Instruments	

Potential Risk Class (Maximum risk the Scheme can take)			
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)			C-III
C-III - A Scheme with Relatively High Interest Rate Risk and Relatively High Credit Risk.			

NAME OF SCHEME	THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*	RISKOMETER
HDFC Corporate Bond Fund (An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A Relatively High Interest Rate Risk and Moderate Credit Risk)	• Income over short to medium term • To generate income/capital appreciation through investments predominantly in AA+ and above rated corporate bonds	

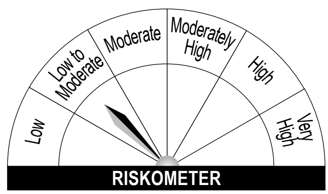
Potential Risk Class (Maximum risk the Scheme can take)			
Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	
B-III - A Scheme with Relatively High Interest Rate Risk and Moderate Credit Risk.			



Investors understand that their principal will be at moderate risk

NAME OF SCHEME	THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*	RISKOMETER
HDFC 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 and 12 months. A Relatively High Interest Rate Risk and Moderate Credit Risk]	• Income over short term • To generate income / capital appreciation through investment in debt securities and money market instruments	

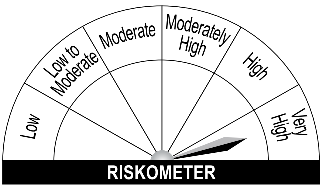
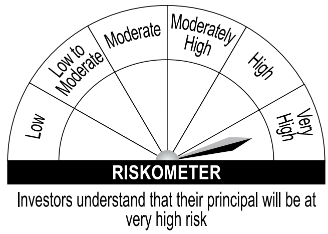
Potential Risk Class (Maximum risk the Scheme can take)			
Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	
B-III - A Scheme with Relatively High Interest Rate Risk and Moderate Credit Risk.			



Investors understand that their principal will be at low to moderate risk

*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.
For latest Riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. **www.hdfcfund.com**

BENCHMARK AND SCHEME RISKOMETERS:

NAME AND RISKOMETER OF BENCHMARK	NAME OF SCHEME(S)	RISKOMETER OF THE SCHEME(S)
NIFTY 500 (Total Returns Index) 	• **HDFC Flexi Cap Fund** • **HDFC Focused 30 Fund** • **HDFC ELSS Tax saver**	
Benchmark and Scheme Riskometer as on March 31, 2024		

Views expressed above are indicative and should not be construed as investment advice or as a substitute for financial planning. Due to the personal nature of investments, investors are advised to consult their financial advisors before investing.

$Macaulay Duration (Duration) measures the price volatility of fixed income securities. It is often used in the comparison of interest rate risk between securities with different coupons and different maturities. It is defined as the weighted average time to cash flows of a bond where the weights are nothing but the present value of the cash flows themselves. It is expressed in years. The duration of a fixed income security is always shorter than its term to maturity, except in the case of zero coupon securities where they are the same.

^Note: Investors in the Scheme shall bear the recurring expenses of the Scheme in addition to the expenses of other schemes in which Fund of Funds scheme makes investment (subject to regulatory limits)

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS,
READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**

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THANK YOU