

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

The Butterfly Effect in SIPs: How Tiny Tweaks Could Create Big Wealth



Have you ever heard the saying, “*A butterfly flapping its wings in Brazil can cause a tornado in Texas*”? That’s the **Butterfly Effect** - small changes leading to massive outcomes. Surprisingly, this principle also applies to **Systematic Investment Plans (SIPs)** in mutual funds.

A tiny action today can trigger a series of events that could lead to something much bigger tomorrow. This idea, known as the Butterfly Effect, mirrors how small changes in SIPs could help to create a significant difference in your financial future.



When it comes to investing, even the smallest decision- starting a few months earlier, adding a few hundred rupees more, or increasing your SIP annually, could potentially create a major wealth effect over the years

The Magic of Small Changes

Imagine two friends, Riya and Amit, both investing in HDFC Flexi Cap Fund.

- Riya had started a SIP of ₹10,000 per month for 20 years.**
- Amit, on the other hand, started with ₹10,000 but decided to increase his SIP by 10% every year.**

— Let's see here's what happens —

	Riya	Amit
SIP per month	₹ 10,000	₹ 10,000, increased by 10% per year
Period of Investment	20 Years	20 Years
Total Amount Invested	₹ 24 Lakh	₹ 69 Lakh
Corpus at the end of 20 Years*	₹ 1.53 Crore	₹ 2.93 Crore

Riya's Corpus:

~₹1.53 Crore



Amit's Corpus:

~₹2.93 Crore



That's a difference of ₹1.4 Crore, just because Amit made a tiny tweak. That's the Butterfly Effect in action!

Topping up / increasing a ₹10,000 SIP by just 10% every year increased the corpus at the end of 20 years by ~92%.

*SIP on the first day of the month considered, CAGR returns are computed after accounting for the cash flow by using XIRR method. 20 Years Returns as on 28th November, 2025. 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)

The Butterfly Effect in Investing:

How One Year Could Make a Big Difference!

Take the historical performance of **HDFC Flexi Cap Fund**.

If you had started a monthly SIP of ₹10,000 in December 2010, by November 2025*, you would have invested a total of **₹18 lakh**.

Your corpus? **₹73 lakh***!

That's more than **4x** growth, thanks to compounding and disciplined investing.

Now, imagine starting just one year earlier, in 2009.

You would have invested **₹19.2 lakh**, and your corpus would be around **₹83 lakh***.

Starting just one year earlier could have grown your corpus by **₹10 lakh** more.

That's the Butterfly Effect in investing.

*SIP on the first day of the month considered. Data as on 28th November, 2025. **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.**

Using the Butterfly Effect in SIPs



Start Early:

Even a few months could make a difference over time.



Increase Gradually:

Periodic top-ups could help boost your investment journey.



Stay Invested:

A long-term approach can support compounding benefits.

Small changes may lead to big outcomes. Whether it's starting a little earlier, adding a top-up, or simply staying invested, these decisions can help shape your financial future. The Butterfly Effect isn't just theory - it's a reminder that every step counts.

Your future wealth starts with today's choices!



HDFC Flexi Cap Fund

A. SIP Performance - Regular Plan - Growth Option

	Since Inception*	15 year SIP	10 year SIP	5 year SIP	3 year SIP	1 year SIP
Total Amount Invested (₹ in lacs)	37.10	18.00	12.00	6.00	3.60	1.20
Market Value as on November 30, 2025 (₹ in lacs)	2,280.28	72.94	32.60	10.27	4.84	1.30
Returns (%)	20.96	16.93	19.00	21.69	20.23	16.43
Benchmark Returns (%)#	15.11	14.89	15.87	15.66	15.35	15.12
Additional Benchmark Returns (%)##	13.91	13.82	14.80	14.05	14.20	17.22

Assuming ₹10,000 invested systematically on the first Business Day of every month over a period of time. CAGR returns are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan - Growth Option. 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.

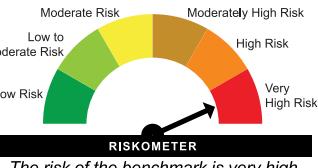
B. Performance - Regular Plan - Growth Option

NAV as on November 30, 2025. ₹2,078.812 (per unit)

Period	Scheme Returns (%)	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)	Benchmark (₹) #	Additional Benchmark (₹)##
Last 1 Year	10.36	6.56	9.94	11,033	10,654	10,991
Last 3 Years	20.72	15.60	13.10	17,583	15,441	14,461
Last 5 Years	26.04	18.61	16.46	31,843	23,499	21,446
Last 10 Years	16.41	14.87	14.08	45,719	40,013	37,349
Since Inception*	18.83	12.50	11.80	2,078,812	381,994	315,388

Common notes for the above table A & B: Past performance may or may not be sustained in future and is not a guarantee of any future returns.* Since Inception date:- January 1, 1995. #NIFTY 500 Index (TRI) ##Nifty 50 Index (TRI). The scheme is managed by Ms. Roshi Jain since July 29, 2022 (Mr Chirag Setalvad, w.e.f. December 08, 2025). Returns greater than 1 year period are compounded annualized (CAGR). 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. Different plans viz. Regular Plan and Direct Plan 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 in the Regular Plan. Load is not taken into consideration for computation of performance. Returns as on November 30, 2025.

For performance of other funds managed by fund manager, Please [click here](#).

HDFC Flexi Cap Fund (An open ended dynamic equity scheme investing across large cap, mid cap & small cap stocks.) is suitable for investors who are seeking*: <ul style="list-style-type: none"> To generate long-term capital appreciation / income Investment predominantly in equity & equity related instruments 	Riskometer #  <p>The risk of the scheme is very high</p>	Name of the Benchmark and Riskometer NIFTY 500 Index (TRI)  <p>The risk of the benchmark is very high</p>

*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 Scheme and Benchmark Riskometer as on November 30, 2025.

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 seek professional advice before investing.

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

Mission: To be the wealth creator for every Indian

Vision: To be the most respected asset manager in the world