

**HDFC MF**

# Weekend Bytes

A weekly series from HDFC Mutual Fund

## **HDFC Equity Savings Fund:** Growth with Guardrails



Investing is crucial for accumulating wealth, as it may enable your money to grow faster than inflation in the long term. However, in today's unpredictable world, uncertainty is the only constant.

Investors today face a genuine dilemma.

*How do you seek growth without exposing yourself to sharp market swings?*



This is where **HDFC Equity Savings Fund** steps in, offering a thoughtfully balanced investment approach designed for investors who want **steady participation in equity markets, without extreme volatility.**

## The Challenge: *Growth vs Stability*

Traditional investment choices sit at two extreme ends:

Asset Class	Strength	Limitation
Equity Funds	High return potential	High volatility
Fixed Income	Relative capital stability	Often struggles to beat inflation

Most investors don't belong at either extreme. They want **growth with guardrails.**

**Equity Savings Funds** are designed specifically for this middle ground.

## What Makes HDFC Equity Savings Fund Different?

HDFC Equity Savings Fund blends **three strategies** in one portfolio:



### Equity Exposure

Drives long-term capital appreciation



### Debt Allocation

Provides relative stability



### Arbitrage Positions

Reduces impact of equity drawdown

The Fund invests in Equity (15%-40%), arbitrage opportunities (25%-75%) and debt instruments (10%-35%)\*

\*Under normal asset allocation.

This combination allows the fund to **participate in equity upside while cushioning downside risks**.

If you had invested on any day and stayed invested for 5 years, the chances of returns greater than 7% is **97% times**.

## Return Profile - HDFC Equity Savings Fund\*

CAGR (%) of Instances	1 Year	3 Years	5 Years	10 Years	15 Years
More than 7	60%	87%	97%	100%	100%
More than 6	69%	92%	99%	100%	100%
More than 5	78%	94%	100%	100%	100%
More than 0	95%	100%	100%	100%	100%
Less than 0	5%	0%	0%	0%	0%
Number of observations	4958	4441	3955	2750	1528

Even during the COVID-19 crash (Mar 2020), the 5 year rolling returns stayed **positive**.

\*Effective December 16, 2015, certain changes, including fundamental attributes, were affected in the erstwhile HDFC Multiple Yield Fund, (an open-ended income scheme) which was renamed as HDFC Equity Savings Fund, an open-ended equity scheme. On account of these changes, the performance during the period from September 17, 2004 to December 15, 2015 is not comparable. Inception date: September 17, 2004. Data up to December 31, 2025. Data based on rolling returns calculated since inception of the index at a daily frequency. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC Mutual Fund/AMC is not guaranteeing/offering/communicating any indicative yields or guaranteed returns on investments made in the scheme.**

## Who Should Consider HDFC Equity Savings Fund?



### Suitable for conservative investors

An effective entry point for investors seeking limited equity exposure while aiming to participate in long term market growth.



### Relatively stable compared to pure equity funds

Lower equity allocation helps manage volatility, making it suitable for investors seeking a balanced investment experience.



### STP friendly

Can be used as a source fund for Systematic Transfer Plans (STPs), enabling gradual movement into equity markets and helping manage timing risk.



### Tax efficient structure\*

Classified as equity oriented for tax purposes, subject to maintaining a minimum gross equity exposure of 65%.

\*As per prevailing portfolio and provisions of the Income Tax Act, 1961. In view of individual nature of tax consequences, each unit holder is advised to consult their own professional tax advisors.

You don't need to swing for sixes in every over to win the match.

Sometimes, **steady singles and smart partnerships do the job better.**

**HDFC Equity Savings Fund** is built exactly for that kind of investing journey.



## HDFC Equity Savings 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)	25.60	18.00	12.00	6.00	3.60	1.20
Market Value as on December 31, 2025 (₹ in lacs)	78.91	38.72	19.80	7.62	4.13	1.25
<b>Returns (%)</b>	<b>9.51</b>	<b>9.56</b>	<b>9.67</b>	<b>9.48</b>	<b>9.05</b>	<b>8.33</b>
<b>Benchmark Returns (%)#</b>	<b>N.A.</b>	<b>9.48</b>	<b>9.57</b>	<b>9.40</b>	<b>9.70</b>	<b>9.82</b>
<b>Additional Benchmark Returns (%)##</b>	<b>6.47</b>	<b>6.54</b>	<b>6.18</b>	<b>6.56</b>	<b>7.20</b>	<b>3.55</b>

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.

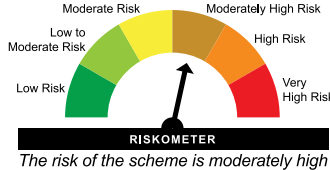
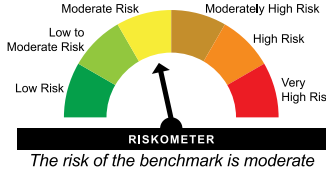
### B. Performance - Regular Plan - Growth Option

NAV as on December 31, 2025. ₹67.856 (per unit)

Period@@	Scheme Returns (%)	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 Year	6.81	9.28	6.37	10,681	10,928	10,637
Last 3 Years	10.23	10.15	7.90	13,402	13,371	12,569
Last 5 Years	10.66	9.35	5.05	16,596	15,637	12,795
Last 10 Years	9.86	9.40	6.52	25,640	24,570	18,816
Since Inception*	9.41	NA	6.03	67,856	NA	34,828

**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 Equity Savings Index (Total Returns Index) ##CRISIL 10 Year Gilt Index. The scheme is managed by Mr. Anil Bamboli (Debt Portfolio) since September 17, 2004, Mr. Arun Agarwal (Arbitrage Assets) since August 24, 2020, Mr. Srinivasan Ramamurthy (Equity Portfolio) since December 14, 2021 and Nandita Menezes (Arbitrage Assets) since March 29, 2025. Returns greater than 1 year period are compounded annualized (CAGR). N.A. Not Available. Scheme performance may not strictly be comparable with that of its Additional benchmark, since a portion of scheme's investments are made in debt instruments. 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. For Performance of Direct Plan, refer page 114 to 120. @@Effective December 16, 2015, certain changes, including changes to fundamental attributes, were effected in the erstwhile HDFC Multiple Yield Fund, (an open ended income scheme) which was renamed as HDFC Equity Savings Fund, an open ended equity scheme. On account of these changes, the performance during the period(s) from September 17, 2004 to December 15, 2015 is not comparable. Load is not taken into consideration for computation of performance. Returns as on December 31, 2025.

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

HDFC Equity Savings Fund (An open ended scheme investing in equity, arbitrage and debt) is suitable for investors who are seeking*:	Riskometer#	Name of the Benchmark and Riskometer#
<ul style="list-style-type: none"> <li>Capital appreciation while generating income over medium to long term.</li> <li>Provide capital appreciation and income distribution to the investors by using equity and equity related instruments, arbitrage opportunities, and investments in debt and money market instruments.</li> </ul>	 <p>The risk of the scheme is moderately high</p>	 <p>The risk of the benchmark is moderate</p>
<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. <a href="http://www.hdfcfund.com">www.hdfcfund.com</a> Scheme and Benchmark Riskometer as on December 31, 2025.</p>		

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**