

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

From everyday spending to potential long-term wealth:

The power of India's Consumption Story!



Think about your everyday routine. From the toothpaste and the soap one uses each morning, to our vehicles, to the energy powering our houses, consumption-led brands form an integral part of everyday life. These choices collectively drive a significant portion of India's economic growth.

But is there an opportunity to invest in the everyday spending itself? Yes, via the **HDFC Nifty India Consumption Index Fund!**

The scheme will invest in companies forming part of the Nifty India Consumption Index. Stocks are selected from sectors like Consumer Durables, Healthcare, Auto, Telecom Services, Pharmaceuticals, Hotels, Media & Entertainment etc.^



[^]For detailed methodology and list of eligible basic industries, please visit www.niftyindices.com

India is fundamentally a consumption-driven economy. Rising per capita income, broad based increase in spending across sectors, favourable demographics, increasing urbanisation and rising aspirations may steadily expand consumer spending.

A number of factors may drive India's consumption in the coming decades



India's consumption is at an inflection point: For example, countries like China saw a sharp acceleration in consumption after crossing the US\$2,000 mark in per capita income in 2006. India's per capita income crossed the US\$2000 level in 2019.



Demographic Dividend: India has the largest and one of the youngest populations in the world with declining dependency ratio



Premiumization: Changing income pyramid and higher disposable income leading to premiumization



Formalization: Shift from unorganized to organized at a faster pace on account of factors like Demonetization, GST, Corporate tax cuts and higher digitization



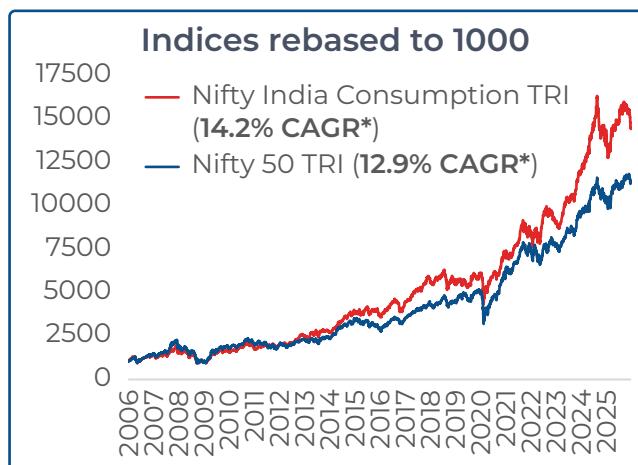
Digitization: Changing consumption landscape may help improve access to products and services

What makes the Consumption theme interesting at this juncture?

The ongoing policy push is likely to benefit the consumption theme amid an uncertain external environment. For an instance, consider the impact of recent policy changes. GST Rationalization helped to benefit multiple consumption sectors including Automobiles, FMCG and Consumer Durables. Low inflation and good monsoon are additional factors that may help uplift the consumption outlook.

The Nifty India Consumption TRI has outperformed the Nifty 50 TRI over long time horizon

Return Periods	CAGR* as on Jan 30, 2026	
	Nifty India Consumption TRI	Nifty 50 TRI
1 year	4.2%	9.0%
3 year	17.1%	14.1%
5 year	15.8%	14.5%
7 year	14.8%	14.2%
10 year	14.4%	14.2%
15 year	14.9%	12.1%
Since inception [^]	14.2%	12.9%



Heatmap Key

Rank 1

Rank 2

Source: NSE Indices Ltd. and internal calculations. As on Jan 30, 2026. [^] Jan 02, 2006 is the inception date for the Nifty India Consumption TRI. Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns. *CAGR: Compounded Annual Growth Rate

Conclusion

India is a consumption-driven economy. If people keep consuming (which is a fairly realistic assumption), companies supplying those needs may continue to grow over time. Favourable demographics, urbanisation and improving purchasing power may support long-term consumption growth.

For those aiming to align their financial journey with India's Consumer story, the HDFC Nifty India Consumption Index Fund may provide a suitable investment opportunity. The scheme provides exposure across multiple consumption-oriented businesses in a single fund. The scheme being thematic in nature carries higher risks versus diversified equity mutual funds on account of concentration and theme specific risks.

Investors can get exposure to the Consumption theme via the

HDFC Nifty India Consumption —INDEX FUND—

NFO period: 4th Feb to 13th Feb 2026

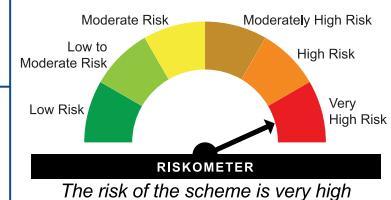


HDFC Nifty India Consumption Index Fund

Passive investment in equity and equity related securities replicating the composition of the Nifty India Consumption Index (TRI), subject to tracking errors. There is no assurance that the investment objective of the Scheme will be achieved.

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

#The product labeling assigned during the 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. For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com.

Scheme Riskometer#


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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