

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

Why Returns and Risk both Matter, and not just Returns?

How HDFC Multi-Asset Allocation Fund has navigated volatility across market cycles



In the world of investing, high returns tend to steal all the attention. But if you ask any seasoned investor what truly compounds wealth over decades, the answer is surprisingly simple: a stable investment journey.

Because wealth isn't just built by chasing returns - it's built by navigating volatility smartly, and staying invested through cycles.

That's where the **HDFC Multi-Asset Allocation Fund** stands apart.

Its diversified allocation helps the portfolio adapt across different phases of the market.



Let's understand how HDFC Multi-Asset Allocation Fund with its Structured Approach to Asset Allocation navigates volatility across market cycles.



1 **HDFC Multi-Asset Allocation Fund has seen lower Drawdowns Vs Category Average and Benchmark**

Periods	Category Average	HDFC Multi-Asset Allocation Fund	Benchmark	Nifty 50 TRI	No. of Funds
29 Jan 2018 - 23 Mar 18	-2.9%	-1.5%	-1.8%	-9.8%	6
28 Aug 2018 - 26 Oct 2018	-6.2%	-9.5%	-7.9%	-14.4%	6
16 Apr 2019 - 13 May 2019	-3.0%	-4.2%	-2.9%	-5.4%	6
03 June 2019 - 19 Sep 2019	-4.5%	-6.8%	-4.0%	-10.8%	6
14 Jan 2020 - 23 Mar 2020	-24.9%	-27.1%	-23.2%	-38.3%	7
20 Jan 2021 - 29 Jan 2021	-3.6%	-4.2%	-4.1%	-6.9%	8
15 Feb 2021 - 20 Apr 2021	-3.8%	-3.4%	-4.2%	-6.5%	8
18 Oct 2021 - 17 Jun 2022	-10.7%	-8.1%	-9.7%	-16.4%	8
13 Sep 2022 - 29 Sep 2022	-4.3%	-4.3%	-4.5%	-6.9%	8
01 Dec 2022 - 24 Mar 2023	-4.6%	-3.2%	-4.6%	-9.8%	10
15 Sep 2023 - 26 Oct 2023	-2.7%	-2.9%	-3.9%	-6.5%	15
26 Sep 2024 - 04 Mar 2025	-8.0%	-6.5%	-8.6%	-15.4%	27
02 Jan 2026 - 30 Jan 2026	-2.2%	-1.4%	-1.5%	-4.8%	32

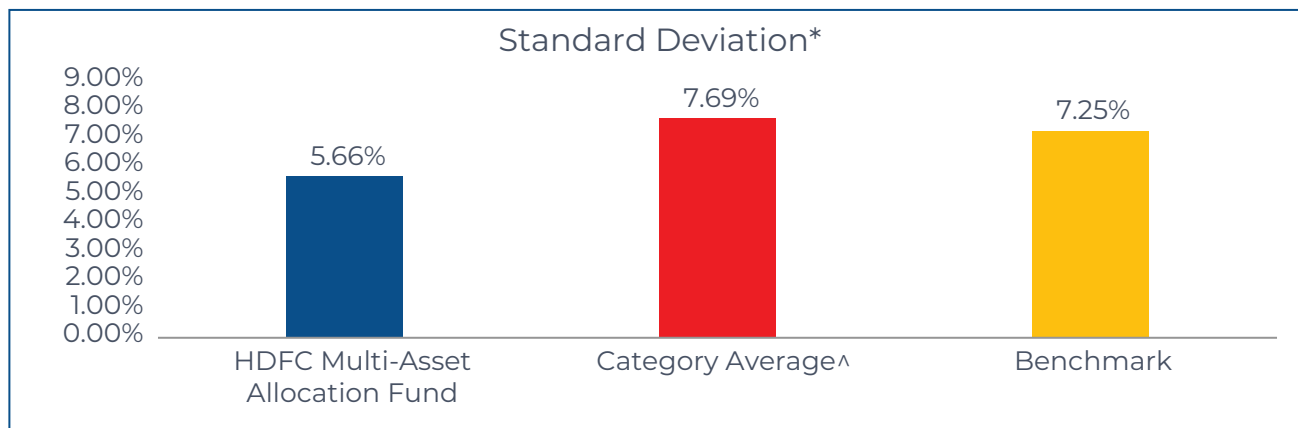
Importantly, when the model based investing started from January 28, 2021 onwards, the Fund recorded lowest drawdowns across mentioned periods barring one.



2 **HDFC Multi-Asset Allocation Fund has exhibited Lower Volatility Vs Category Average and Benchmark**

The Fund has also exhibited lower standard deviation relative to category average benchmark.

Lower Volatility generally indicates smoother portfolio movements and fewer sharp swings in value. For investors, this may help in having a more stable investment experience, particularly during periods of uncertainty.



Source: MFI

*Calculated by taking monthly rolling returns for last 3 years (till 31st Jan 2026)

[^]Standard Deviation calculated for funds existing prior to 28th Feb 2023 due to the Standard deviation calculation methodology mentioned above



3 **Consistent Returns Over Time**

Alongside lower volatility, the HDFC Multi-Asset Allocation Fund has also given good rolling returns over time, trying to offer investors a balance between potential growth and relative stability.

CAGR (%)	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years
more than 10	43%	57%	51%	49%	68%	100%
more than 8	57%	76%	90%	97%	100%	100%
more than 5	82%	95%	98%	100%	100%	100%
more than 0	93%	99%	100%	100%	100%	100%
Less than 0	7%	1%	0%	0%	0%	0%
Number of Observations	4741	4244	3764	2560	1347	112

Source: MFI; Data up to January 30, 2026. Data based on rolling returns calculated since inception at a daily frequency.

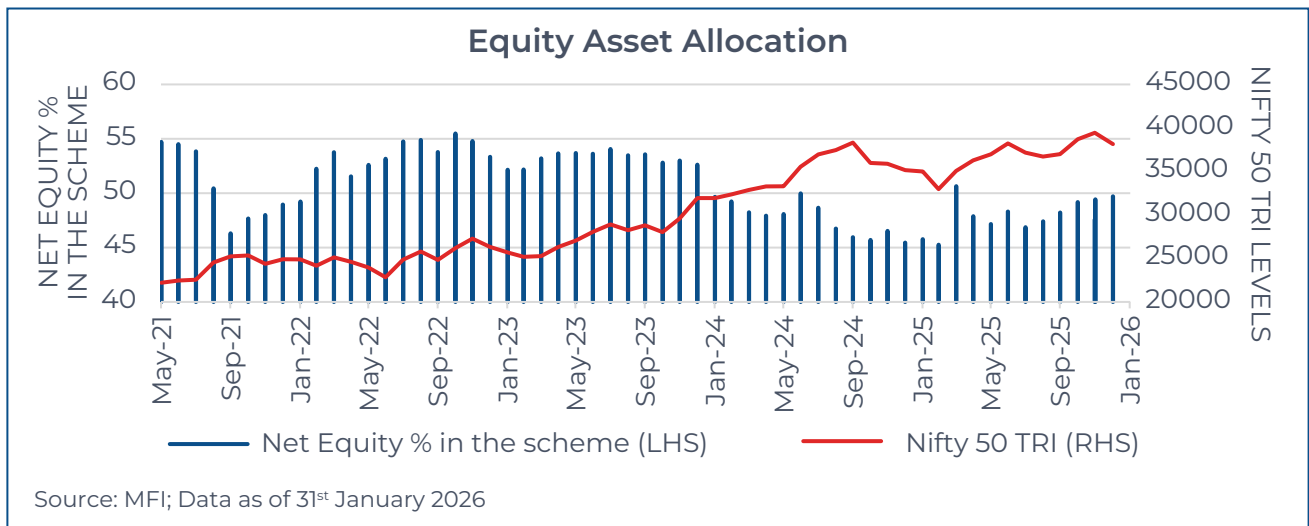
As you can see from the above table, if one had stayed invested in the HDFC Multi-Asset Allocation Fund for 5 years, their chances of returns greater than 8% would have been 90%.

The above table shows that as the holding period increased, the chances of positive returns increased.



Structured Approach to Asset Allocation

The HDFC Multi-Asset Allocation Fund is designed to offer investors a diversified portfolio across asset classes. Rather than relying on a single source of return, the fund actively allocates across equities, debt and commodities to navigate different market environments.



The Fund Manager will increase exposure to Equity when market valuations are attractive and will prune down the equity exposure when equity markets get expensive or experience volatility or under any other conditions as found suitable by the Fund Manager.

Takeaway

Balancing return and risk is not optional - it's essential. As markets evolve, a multi asset approach becomes more relevant.

HDFC Multi-Asset Allocation Fund brings this philosophy to life with its disciplined diversification across equity, debt, and commodities.

By choosing strategies that could help protect your downside while capturing potential growth, you set yourself on a stable, confident, and long-term wealth creation journey.



HDFC Multi-Asset Allocation 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)	24.60	18.00	12.00	6.00	3.60	1.20
Market Value as on January 30, 2026 (₹ in lacs)	88.00	46.52	23.49	8.42	4.44	1.29
Returns (%)	11.13	11.73	12.89	13.54	14.08	15.03
Benchmark Returns (%)#	10.98	12.05	13.21	13.84	15.09	18.41
Additional Benchmark Returns (%)##	12.60	13.25	13.77	11.65	10.36	6.87

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 January 30, 2026. ₹76.477 (per unit)



Period	Scheme Returns (%)	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 Year	14.79	17.06	8.97	11,475	11,701	10,895
Last 3 Years	15.48	15.59	14.08	15,398	15,444	14,848
Last 5 Years	14.09	13.73	14.52	19,343	19,043	19,714
Last 10 Years	11.62	12.25	14.23	30,059	31,802	37,878
Since Inception*	10.45	10.08	13.56	76,477	71,391	135,115

Common notes for the above table A & B: *Inception Date: August 17, 2005. The Scheme is co-managed by Mr. Srinivasan Ramamurthy (Equity Portfolio) (since January 13, 2022), Mr. Anil Bamboli (Debt Portfolio) (since August 17, 2005) Mr. Bhagyesh Kagalkar (Dedicated Fund Manager for commodities related investments) (since February 02, 2022), Mr. Arun Agarwal (Arbitrage Assets) (since August 24, 2020), Ms. Nandita Menezes (Arbitrage Assets) (w.e.f March 29, 2025). Returns greater than 1 year period are compounded annualised (CAGR). # 65% Nifty 50 TRI + 22.5% Nifty Composite Debt Index +10% Domestic Price of Gold + 2.5% Domestic Price of Silver (w.e.f. December 10, 2025). ## Nifty 50 Index (TRI). TRI: Total Returns Index. The above returns are for Regular Plan - Growth Option. N.A.: Not Available. Different plans viz. Regular Plan and Direct Plan have 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. Returns as on January 30, 2026.

[^]Past performance may or may not be sustained in future and is not a guarantee of any future returns. Load is not taken into consideration for computation of performance.

Performance has been computed using values of the concerned benchmarks. From inception till December 31, 2017, the benchmark was CRISIL MIP Blended Index. It was then revised to CRISIL Hybrid 85+15 Conservative Index from January 1, 2018 to March 27, 2018, and to NIFTY 50 Hybrid Composite Debt 15:85 Index from March 28, 2018 to May 22, 2018. Between May 23, 2018 and July 25, 2023, the benchmark comprised 90% NIFTY 50 Hybrid Composite Debt 65:35 Index + 10% Domestic Price of Gold. From July 26, 2023 to December 9, 2025, it was 65% NIFTY 50 TRI + 25% NIFTY Composite Debt Index + 10% Domestic Price of Gold. Effective December 10, 2025, the benchmark is 65% NIFTY 50 TRI + 22.5% NIFTY Composite Debt Index + 10% Domestic Price of Gold + 2.5% Domestic Price of Silver.

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

<p>HDFC Multi-Asset Allocation Fund~ (An open-ended scheme investing in Equity and Equity related instruments, Debt & Money Market Instruments, Gold/Silver/other permitted Commodities ETFs and Exchange Traded Commodity Derivatives.) is suitable for investors who are seeking*:</p>	<p>Riskometer#</p>  <p><i>The risk of the scheme is very high</i></p>	<p>Name of the Benchmark and Riskometer#</p> <p>65% Nifty 50 TRI + 22.5% Nifty Composite Debt Index +10% Domestic Price of Gold + 2.5% Domestic Price of Silver (w.e.f. December 10, 2025)</p>  <p><i>The risk of the benchmark is high</i></p>
<ul style="list-style-type: none"> • To generate long-term capital appreciation / income • Investments in a diversified portfolio of equity & equity related instruments, debt & money market instruments and Commodities ETFs such as Gold/Silver/other Commodity ETFs as permitted and ETCD 	<p>~Name changed from HDFC Multi-Asset Fund w.e.f. December 10, 2025. *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 January 31, 2026.</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