HDFC MUTUAL FUND
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HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

Why Patience Pays?

How Continuing SIPs in Crisis May Reward You



In investing, long-term success generally comes from staying focused and trusting the process rather than reacting to short term movements.

While market volatility can feel unsettling, it also could present opportunities for patient investors. Over time, those who stay invested and continue their SIPs are likely to benefit the most, as compounding quietly does the heavy lifting.



One Journey, Different Outcomes!

Let's consider the investment journey of two investors, Mr.A and Mr.B. Both started investing in the HDFC Flexi Cap Fund at the same time via an SIP of Rs.10,000.

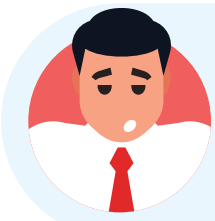
Let's assume that both investors begin their SIPs in the same year as the market crisis and continue investing for a total period of five years. However, during this time, Mr. B temporarily stops his SIP investments for six months when the markets hit their bottom, while Mr.A continues investing without interruption.

Scenario 1 Dot-Com Effect along with the 9/11 Attack



SIP Start Date: 01 Jan 2001

When markets crashed due to the sustained effect of the dot-com crisis coupled with the September 2001 attacks, panic set in.



Mr. B decided to pause his SIP for six months



While **Mr. A** continued investing without interruption.

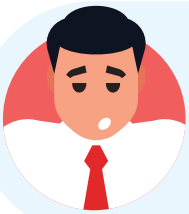
	A	B
SIP Start Date	01-Jan-01	01-Jan-01
SIP Pause	No	Yes
Pause Period	---	6 months
Amount (in ₹) Invested till 1st Dec, 2005	6,00,000	5,40,000
Period Of Investment	5 Years	
Market Value (in ₹) as on 31st Dec, 2005	22,23,092	18,64,570
Difference (in ₹)		**3,58,522**

Scenario 2 Global Financial Crisis



SIP Start Date: 01 Jan 2008

Fast forward a few years. Another global crisis strikes. This time it is the 2008 Global Financial Crisis. Fear is everywhere again.



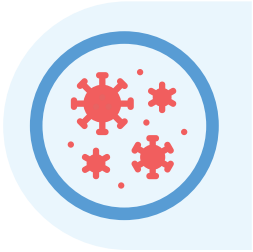
Mr. B repeats the same mistake, pausing his SIP for six months.



Mr. A stays calm and continues investing.

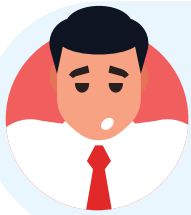
	A	B
SIP Start Date	01-Jan-08	01-Jan-08
SIP Pause	No	Yes
Pause Period	---	6 months
Amount (in ₹) Invested till 1st Dec, 2012	6,00,000	5,40,000
Period Of Investment	5 Years	
Market Value (in ₹) as on 31st Dec, 2012	8,76,449	7,09,969
Difference (in ₹)		**1,66,479**

Scenario 3 Covid Pandemic



SIP Start Date: 01 Jan 2020

The Covid crisis was sudden, unprecedented, and emotionally draining. Once again, uncertainty ruled the markets.



Mr. B paused his SIP during the downturn



Mr. A stayed disciplined

	A	B
SIP Start Date	01-Jan-20	01-Jan-20
SIP Pause	No	Yes
Pause Period	---	6 months
Amount (in ₹) Invested till 1st Dec, 2024	6,00,000	5,40,000
Period Of Investment	5 Years	
Market Value (in ₹) as on 31st Dec, 2024	11,77,852	9,64,533
Difference (in ₹)		**2,13,319**

Under each scenario, Mr.B paused his SIPs when the markets hit their lowest in the respective investment periods. He missed out on one of the key advantages of SIP, that is buying more units when the markets are down.

Across all three crises, Mr. B invested less, but more importantly, he missed buying at lower prices, which reduced his long-term wealth as compared to Mr. A. Avoiding panic and staying patient is the key when the markets are going through a tough time. It is about time in the market and not timing the market.

Final Thoughts!

In the end, long-term investing success is rarely about timing the market, it is about staying the course when it feels the hardest. Even in the current episode of market fall, we do not know where the market will bottom out. Markets will always go through cycles of fear and recovery, but those who remain patient and consistent are the ones who truly could benefit from compounding. Mr. A's journey in all 3 scenarios shows us that discipline during uncertainty can turn volatility into opportunity, while Mr.B's experience highlights the cost of letting emotions drive decisions. As investors, the lesson is simple yet meaningful: stay invested, stay patient, and let time do the heavy lifting.



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)	37.40	18.00	12.00	6.00	3.60	1.20
Market Value as on February 27, 2026 (₹ in lacs)	2,260.09	70.45	31.18	9.61	4.56	1.26
Returns (%)	**20.70**	**16.54**	**18.18**	**18.94**	**16.02**	**9.12**
Benchmark Returns (%)#	**14.79**	**14.25**	**14.66**	**12.71**	**10.46**	**5.33**
Additional Benchmark Returns (%)##	**13.58**	**13.10**	**13.47**	**11.03**	**9.27**	**4.55**

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.

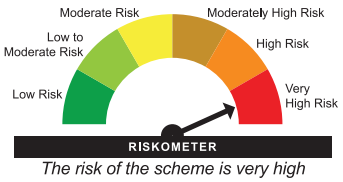
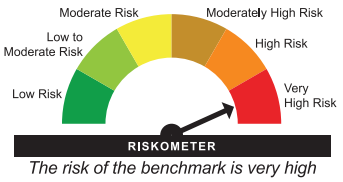
B. Performance - Regular Plan - Growth Option

NAV as on February 27, 2026. ₹2,060.127 (per unit)

Period	Scheme Returns (%)	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 Year	18.77	17.62	15.07	11,871	11,757	11,503
Last 3 Years	22.72	17.97	14.64	18,482	16,420	15,066
Last 5 Years	20.49	14.86	12.93	25,416	20,006	18,379
Last 10 Years	19.02	16.08	15.09	57,075	44,428	40,781
Since Inception*	18.64	12.28	11.57	2,060,127	370,204	303,392

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 Mr. Amit Ganatra since February 01, 2026. 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 February 27, 2026.

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*:	**Riskometer #**	**Name of the Benchmark and Riskometer** NIFTY 500 Index (TRI)
· To generate long-term capital appreciation / income · Investment predominantly in equity & equity related instruments	 *The risk of the scheme is very high*	 *The risk of the benchmark is very high*

*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 February 28, 2026.

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.