HDFC MUTUAL FUND
BHAROSA APNO KA

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

Metals: The Hidden Engine Powering India's Next Decade of Growth

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HDFC Mutual Fund: SEBI Registration Number: MF/044/00/6

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Take a moment to look around: the flyover you drove on, the aluminium frame of your smartphone, the copper wire powering every data centre - all of it is metal. Metals may not dominate investment conversations, but they are becoming one of the most critical building blocks of India's next decade of growth.

A conversation between two friends over a Saturday coffee


Aarav

You know, every headline these days is about AI, semiconductors, or data centres... but all of these futuristic tech still needs metals.


Riya

True! The world is advancing, but the foundation still remains steel, aluminium, copper. I read recently that metals might actually become one of India's biggest growth engines over the coming decade.


Aarav

Absolutely. Think about it:

- ✔ Massive **infrastructure push**,
- ✔ **Manufacturing** revival,
- ✔ Growth in **EVs**,
- ✔ **Renewables**,
- ✔ And AI driven **hyperscale data centres**, everything is metal-heavy. It's a multi industry, long term demand story.


Riya

Interesting, so both traditional industries and new age sectors rely heavily on metals.


Aarav

Exactly. In India, capex expansion, new factories, gigawatt scale data centres, EV charging networks, and renewable capacity additions could all contribute to this momentum.


Riya

You know what surprised me? India's per capita metal consumption is still far below global averages.

Source: Copper Vision Document 2047 (Ministry of Mines, April 2025)


Aarav

Yes, and that implies a long runway for growth. As incomes rise, urbanisation accelerates, and domestic manufacturing expands, metal consumption typically increases. This is not a 1 or 2-year phenomenon. It's a structural, decade scale opportunity.


Riya

And the government push is a catalyst too, right?


Aarav

Huge! PLI schemes, infrastructure spending, safeguard duties, the National Critical Minerals Mission… the policy environment is clearly geared towards Atmanirbharta which also includes metals. And that creates long-term stability for domestic players.

PLI - Production Linked Incentive


Riya

So… how does one invest in this mega-trend without picking stocks?


Aarav

A simple and cost-effective way to gain exposure to metals as a theme is through passively managed products. Also, did you know HDFC AMC has launched HDFC Nifty Metal ETF and HDFC Nifty Metal ETF FOF which could help in investment in the category.

Introducing HDFC Nifty Metal ETF and HDFC Nifty Metal ETF FOF - A Diversified Gateway into India's Metals Opportunity

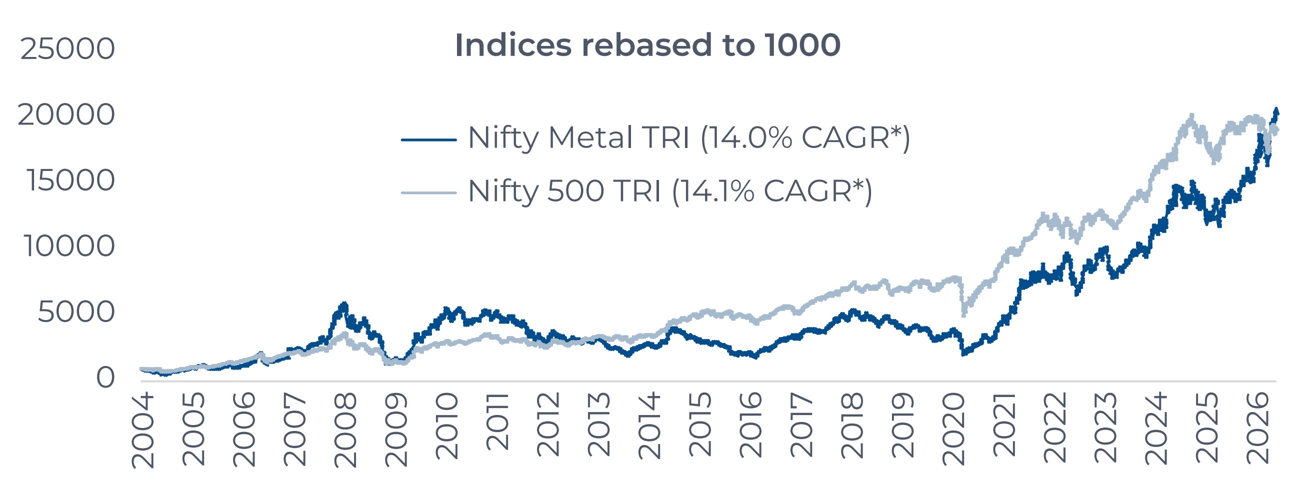
India continues to strengthen its position as one of the fastest growing major economies, supported by an expanding industrial, manufacturing, and infrastructure backbone. Among the sectors contributing to this progress, metals stand out as one of the foundational enabler - from steel powering public infrastructure to aluminium and copper supporting EVs, renewable energy, and data intensive industries.

Nifty Metal TRI Outperformed the Nifty 500 TRI in Most Time Frames

Return Periods	CAGR* as on Jun 30, 2026	
	Nifty Metal TRI	Nifty 500 TRI
1 year	32.7%	-1.7%
3 year	27.3%	12.9%
5 year	20.7%	12.4%
7 year	24.5%	14.4%
10 year	21.4%	13.9%
15 year	10.1%	12.7%
Since inception^	14.0%	14.1%

Heatmap Key Rank 1 | Rank 2

The Nifty Metal TRI has outperformed the Nifty 500 TRI over 1, 3, 5, 7 and 10 year horizons



Source: NSE Indices Ltd. and internal calculations. As on Jun 30, 2026. ^ Jan 01, 2004 is the inception date for the Nifty Metal 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 re turns. *CAGR: Compounded Annual Growth Rate

While past performance does not guarantee future results, this historical trend reflects the sector's ability to navigate cycles and benefit from structural demand.

Key Reasons to Invest:

Multiple long-term growth drivers
Growth from traditional capex and manufacturing, along with new age industries like AI / data centres, renewable energy and EV adoption could support long-term demand for industrial metals.

Long growth runway ahead for these demand drivers
India's per capita consumption of key metals remains well below global peers, indicating scope for sustained demand growth.

Source: Copper Vision Document 2047 (Ministry of Mines, April 2025)

Supportive policy environment
Government initiatives including infrastructure spending, PLI schemes etc. can continue to support the sector.

PLI - Production Linked Incentive

Diversified exposure through a single investment
Gain exposure to leading metal and mining companies through a single fund, without the need for individual stock selection

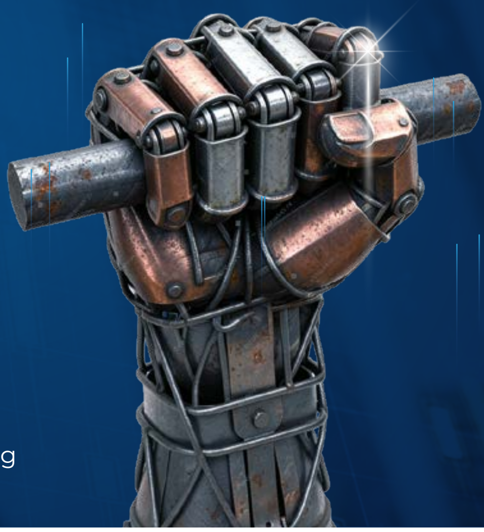
Invest Now

HDFC Nifty Metal ETF

NFO PERIOD: July 20 to July 24 2026

HDFC Nifty Metal ETF FOF

NFO PERIOD: July 20 to August 03 2026



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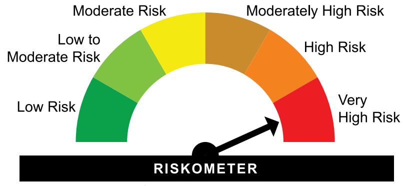
Name of Scheme	This product is suitable for investors who are seeking*:	Scheme Risk-o-meter#
HDFC Nifty Metal ETF (An open ended scheme replicating/tracking Nifty Metal Index (TRI))	▪ Returns that are commensurate (before fees and expenses) with the performance of the Nifty Metal Index (TRI), over long term, subject to tracking error. ▪ Investment in equity securities covered by the Nifty Metal Index (TRI).	 *The risk of the scheme is very high*
HDFC Nifty Metal ETF FOF^ (An Open-ended Fund of Fund scheme investing in units of HDFC Nifty Metal ETF)	▪ Capital appreciation over long term ▪ Investment in Units of HDFC Nifty Metal ETF	

*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

^Investors in the Scheme shall bear the recurring expenses of the Scheme in addition to the expenses of other schemes in which this Fund of Funds scheme makes investment (subject to regulatory limits)

HDFC Bank (Sponsor of HDFC Mutual Fund) is not liable or responsible for any loss or shortfall resulting from the operations of the scheme(s).

NIFTY Disclaimer: HDFC Nifty Metal ETF / HDFC Nifty Metal ETF FOF "(the Product)" offered by HDFC Asset Management Company Limited are not sponsored, endorsed, sold or promoted by NSE INDICES LIMITED (formerly known as India Index Services & Products Limited (IISL)). NSE INDICES LIMITED does not make any representation or warranty, express or implied (including warranties of merchantability or fitness for particular purpose or use) and disclaims all liability to the owners of the Products or any member of the public regarding the advisability of investing in securities generally or in the Product linked to Nifty Metal Index (TRI) or particularly in the ability of the Nifty Metal Index (TRI) to track general stock market performance in India. Please read the full Disclaimers in relation to Nifty Metal Index (TRI) in the SID of the Product.

The scheme(s) being sectoral in nature carries higher risks versus diversified equity mutual funds on account of concentration and sector specific risks

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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