HDFC MUTUAL FUND
BHAROSA APNO KA

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

Teachers' Day Special:

The student who came back to teach!

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

Mrs. Sharma had a rule in her class: homework was checked every single day, no exceptions, no excuses. ***"Small things done every day become big things,"*** she used to say. Years later, she seemed to have forgotten she had ever said this. She was reminded of this and her other teachings when a former student visited her on Teachers' Day.

The Visit

Ananya rang the doorbell on the evening of 5th September, 2026 with a box of sweets. Mrs. Sharma opened the door, blinked twice, and then broke into the kind of smile that only recognition brings.

For Illustration:

Mrs. Sharma: *"Ananya? Little Ananya who used to hide comic books inside her maths textbook?"*

Ananya (feeling shy): *"Guilty! Ma'am, you remember me?!"*

Mrs. Sharma: *"Of course I do my dear."*

Ananya: *"Happy Teacher's Day, Ma'am!"*

Mrs. Sharma: *"Thanks Ananya!"*

Over tea, they talked about school and Ananya's batchmates: who pursued what, who moved where, etc. Ananya mentioned she worked in financial planning.

Mrs. Sharma

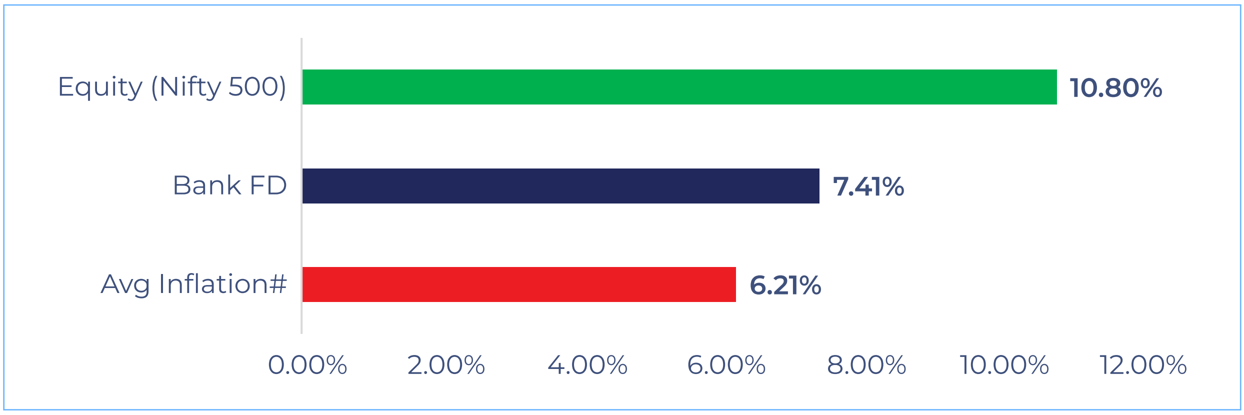
"I have years of savings in fixed deposit (FD). I don't understand the stock market, and honestly, it frightens me. Everyone says inflation is eating away savings, but at least I feel an FD doesn't seem like speculation."

Ananya

"Ma'am, investing only in an FD may have to be reconsidered. We need to account for the impact of inflation. Let us assume you had invested in an FD for a 20-year period. Average rate of the FD for that period is 7.41%. Average inflation during the same 20-year period is 6.21%^. An FD may not be able to provide for the impact of inflation and the real return over and above inflation may not be enough to achieve our financial goals in the long term."*

*Average FD rates for 1-2 year tenure for the period (Mar 31, 2006 to Jul 31, 2026) is 7.41%, Source: SBI – Retail Domestic Term Deposits. ^Average inflation for the period (Mar 31, 2006 to Jul 31, 2026) is 6.21%, Source: RBI Database on Indian Economy.

Exposure to different asset classes may be warranted!



Source: Bloomberg, RBI Handbook of statistics on Indian Economy, SBI #Average Inflation is shown for comparison with returns from various asset classes. Data is of CAGR returns of various asset classes (Equity and Bank FD) for the period March 31, 2006 till July 31, 2026. Average of inflation data from March 31, 2006 to July 31, 2026 is calculated. Equities are a volatile asset class. However, volatility in returns reduces as holding period increases. Above asset classes are not strictly comparable. Above chart is for illustration purposes only. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns.**

Mrs. Sharma

“Oh, I wasn’t aware of this. How can I aim to achieve my financial goals then?”

Ananya

“Let us consider you had invested in the HDFC Balanced Advantage Fund for a 20-year period, the CAGR is 14.18%^. You may choose a fund that is appropriate for your Investment Needs, Risk Appetite, Financial Goals and Investment Horizon basis discussion with an Investment Advisor.”

^CAGR (Compounded Annual Growth Rate) for HDFC Balanced Advantage Fund for the period (March 31, 2006 to July 31, 2026) is 14.18%. Source – MFI360 Explorer. **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.** The above returns are of regular plan - growth option. In view of the individual circumstances and risk profile, each investor is advised to consult his / her professional advisor before making a decision to invest in the Scheme. Historical performance indications and financial market scenarios are not reliable indicators of current or future performance. Please note that an FD and HDFC Balanced Advantage Fund are not comparable investments in terms of their underlying characteristics.

Mrs. Sharma

“Dear, I don't understand the stock market, and honestly, it frightens me. I feel an FD is a safer option and doesn't feel like speculation."

Ananya

"Ma'am, do you remember what you taught us about homework?"

Mrs. Sharma (puzzled)

"What does homework have to do with the stock market?"

Ananya

"Everything Ma’am, allow me to tell you how."

Role reversal

Over the next hour, the roles quietly reversed.

Small things done every day become big things.

Ananya reminded her teacher of her own words. *"That's exactly what a Systematic Investment Plan (SIP) is, Ma'am. You can choose to invest a fixed amount of money every month into a mutual fund."*

You never let the slow learners feel scared.

Mrs. Sharma remembered how patient she was with children who struggled - never letting one bad test define them. Ananya smiled. *"Markets go through their own share of volatility, Ma'am, just like how a child may have a bad week. If you panic and pull your money out during a dip, you lock in a loss. Staying invested is what leads to potential wealth creation."*

Your classroom was never just one subject.

"You taught us math, but also made sure we engaged in some extra-curricular activities too." Ananya said. *"That's diversification, Ma'am. Mutual fund schemes (being professionally managed) are well aware of risks associated with concentrating their holding towards a stock or sector and hence spread their investment."*

You always asked, 'What are you preparing this student for?'

Every lesson plan Mrs. Sharma made had an endpoint - an exam, a life skill or a habit. Ananya asked her the same question now. *"What are you investing for, Ma'am? A grandchild's wedding in fifteen years is a very different goal from money you might need next year. The fund you choose should match your financial goals."*

Mrs. Sharma (surprised)

"I taught you all of this without realizing these lessons could be applied elsewhere too, such as in investing!"

"It is amazing how a great teacher can open doors to fields they weren't even trying to teach!"

Ananya

Mrs. Sharma

*"Thank you for apprising me of this, dear.
You truly made this Teachers' day very special for me"*

"Pleasure is all mine, Ma'am."

Ananya (smiling)

Conclusion

There's a certain beauty in how a teacher spends decades compounding knowledge into hundreds of students, one small lesson at a time, only to learn years later, from one of those very students that money can grow the same way. Not through a single dramatic decision, but through patience, regularity and staying the course when things look uncertain.

This Teachers' Day, somewhere between the sweets and the nostalgia, Ananya didn't just thank her teacher with words. She handed back, in a new field, the exact lesson she had once received from her teacher.

Happy Teachers' Day! Happy investing!

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HDFC Balanced Advantage 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)	39.00	18.00	12.00	6.00	3.60	1.20
Market Value as on July 31, 2026 (₹ in lacs)	1,591.02	57.15	25.24	8.18	3.97	1.22
Returns (%)	18.03	14.13	14.24	12.38	6.42	3.04
Benchmark Returns (%)#	N.A.	10.06	9.51	7.17	5.01	1.68
Additional Benchmark Returns (%)##	12.97	12.31	11.97	8.16	4.39	-0.61

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 at July 31, 2026. ₹526.398 (per unit)

Period	Scheme Returns (%)$$	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)$$	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 Year	2.22	1.15	-0.43	10,222	10,115	9,957
Last 3 Years	12.66	7.62	8.56	14,303	12,466	12,798
Last 5 Years	14.92	8.22	10.39	20,057	14,850	16,405
Last 10 Years	13.35	9.93	12.27	35,070	25,790	31,857
Since Inception*	17.60	NA	10.84	1,948,179	NA	284,391

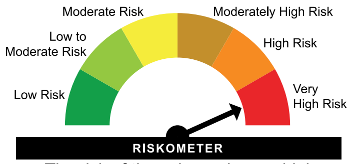
Common notes for the above table A & B: ^Past performance may or may not be sustained in future and is not a guarantee of any future returns. *Inception Date: February 01, 1994. The scheme is co-managed by Mr. Gopal Agrawal (Equity Portfolio) (since July 29, 2022), Mr. Srinivasan Ramamurthy (Equity Portfolio) (since July 29, 2022), Mr. Arun Agarwal (Arbitrage Assets) (since October 6, 2022), Nandita Menezes (Arbitrage Assets) (since March 29, 2025) and Mr. Anil Bamboli (Debt Portfolio) (since July 29, 2022). # NIFTY 50 Hybrid Composite Debt 50:50 Index (Total Returns Index). ## Nifty 50 Index (TRI). $$ All Distributions declared prior to the splitting of the Scheme into IDCW & Growth Options are assumed to be reinvested in the units of the Scheme at the then prevailing NAV (ex-distribution NAV). 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 February 1, 1994 to June 29, 1999 and TRI values since June 30, 1999. Scheme performance may not strictly be comparable with that of its Additional Benchmark in view of balanced nature of the scheme where a portion of scheme's investments are made in debt instruments. Returns greater than 1 year period are compounded annualized (CAGR). Load is not taken into consideration for computation of performance. 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. N.A.: Not Available. Returns as on July 31, 2026.

For performance of other funds managed by fund manager, Please click here.

HDFC Balanced Advantage Fund (An open ended dynamic asset allocation fund investing in debt and equity instruments only.) is suitable for investors who are seeking*:

- To generate long-term capital appreciation / income
- Investments in a mix of equity and debt instruments

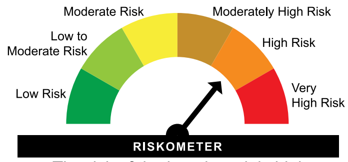
Riskometer #



The risk of the scheme is very high

Benchmark Riskometer#

NIFTY 50 Hybrid Composite Debt 50:50 Index (Total Returns Index)



The risk of the benchmark is 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 July 31, 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.

Mission: To be the wealth creator for every Indian

Vision: To be the most respected asset manager in the world