HDFC MUTUAL FUND
BHAROSA APNO KA

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

Why The Second Half of Wealth Creation Matters More

hdfcfund.com

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

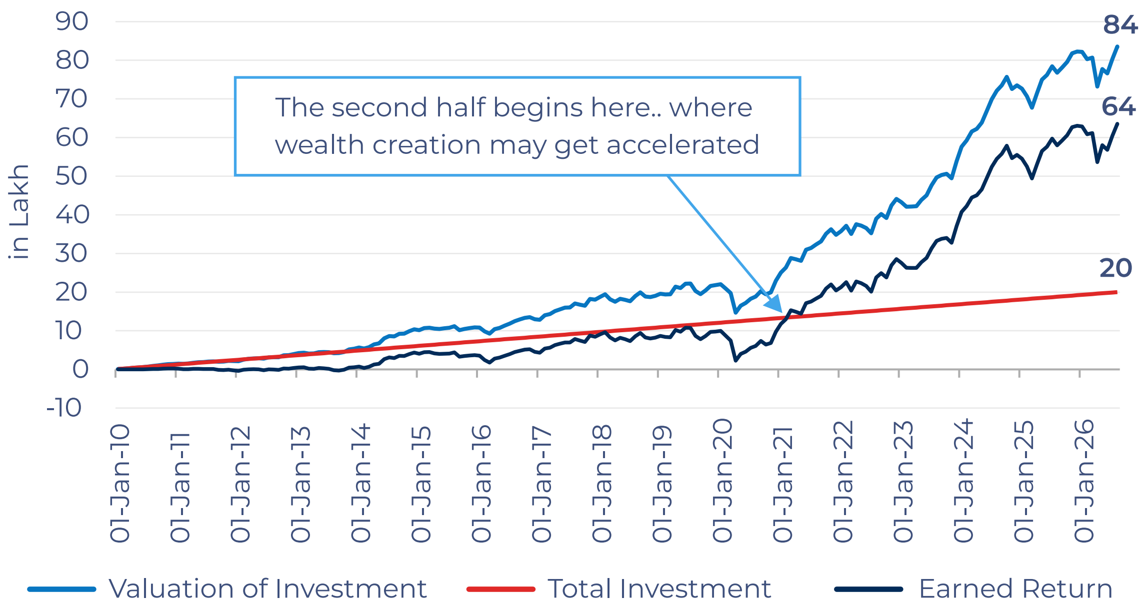
At a point in an investment's journey, returns on investment surpass the amount invested for the first time. This crossover varies from investor to investor. Beyond this comes the second half.

One Sunday evening, Akash was scrolling through his portfolio when one SIP caught his attention. He had been investing ₹10,000 every month in it for over a decade. He had almost forgotten about it. But this time, one number made him pause.

The change in value over the last year was larger than what he had contributed during the previous year. He checked again. When he reflected on journey of SIP, somewhere along the way, the return on his investments had quietly overtaken his own contributions.

Akash felt this was the point when he had entered the second half of his wealth creation journey. It wasn't tied to a particular year, but to the moment when his returns began outweighing his contributions. For him, that moment arrived around the ten year mark.

Contribution, Return & Valuation



SIP Journey of Rs. 10,000 in HDFC Flexi Cap Fund - Regular - Growth

Past Performance may or may not be sustained in future and is not a guarantee of any future returns.

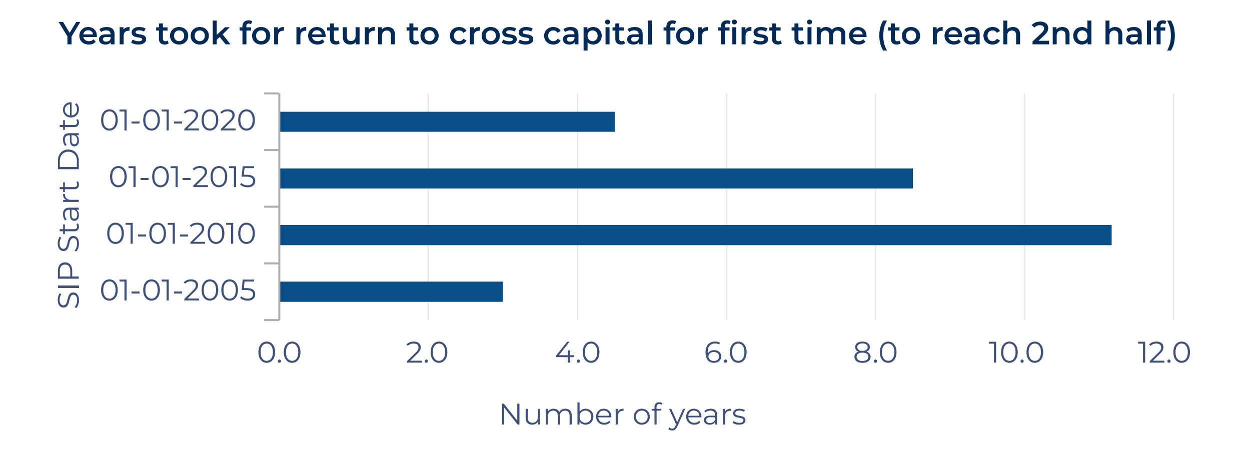
In the first ten years (Starting 1-Jan-2010), he invested ₹12 lakh in **HDFC Flexi Cap Fund** and watched it grow to ₹21.87 lakh (As on 31-Dec-2019) — most of it still his own money contributed every month. In the years that followed, he kept contributing the same amount, to the same fund — and the corpus reached ₹83.46 lakh (As on 31-Aug-2026). The contribution was now a smaller piece of the whole, while returns had become the larger driver.

In the early years, the job seems simple: contribute every month. But this is also the phase where patience is tested the most. It's when understanding compounding starts to matter, letting the money work starts to matter, and resisting the urge to interfere matters even more.

The second half may be where compounding becomes more visible. But the real challenge is getting through the first half. The second half too needs patience, discipline and calm. But none of that matters if you don't stay invested long enough to reach it.

For Illustration:

Akash reached that phase around the ten year mark. For someone else, it may happen sooner or later. What matters isn't the number of years — but staying invested through the phase where your own contributions are doing most of the work.



SIP in HDFC Flexi Cap Fund - Regular - Growth

Past Performance may or may not be sustained in future and is not a guarantee of any future returns.

What the journey teaches

Stay patient. Stay the course.

The early years feel slow. They are supposed to. Keep going even when progress looks small.

Keep contributing.

The first half depends on your discipline. It builds the base that later allows compounding to take over.

Cut the noise. Follow the goal.

As the corpus grows, market headlines grow louder. Before reacting, return to the reason you started.

The first half of wealth creation is about building the base. The second half is about letting the base work.

And sometimes, the most important wealth creation decision could be simply staying invested long enough to see the difference.

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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)	38.00	18.00	12.00	6.00	3.60	1.20
Market Value as on August 31, 2026 (₹ in lacs)	2295.60	67.67	29.39	8.90	4.21	1.24
Returns (%)	20.34	16.07	17.07	15.81	10.47	7.76
Benchmark Returns (%)#	14.56	13.83	13.71	10.82	6.62	5.04
Additional Benchmark Returns (%)##	13.11	12.07	11.56	7.34	3.11	-3.01

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 August 31, 2026. ₹2091.928 (per unit)

Period	Scheme Returns (%)	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 Year	6.15	5.31	-0.35	10,618	10,534	9,965
Last 3 Years	16.86	12.54	8.99	15,964	14,257	12,951
Last 5 Years	17.69	11.12	8.32	22,585	16,946	14,915
Last 10 Years	15.40	13.31	11.95	41,921	34,897	30,931
Since Inception*	18.37	12.14	11.24	2,091,928	377,120	292,481

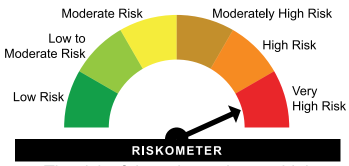
Common notes for the above table A & B: ^Past Performance may or may not be sustained in future and is not a guarantee of any future returns. *Inception Date: January 1, 1995. The scheme is managed by Mr. Amit Ganatra since February 01, 2026. # NIFTY 500 Index (TRI). ## Nifty 50 Index (TRI). The above returns are of Regular Plan – Growth Option. 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. 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. Above returns are as on August 31, 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*:

- To generate long-term capital appreciation/ income
- Investment predominantly in equity & equity related instruments

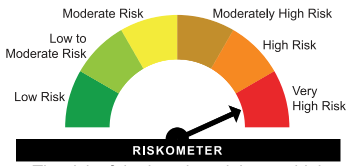
Riskometer #



The risk of the scheme is very high

Benchmark Riskometer#

NIFTY 500 Index (TRI)



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 August 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