

Passive Speak

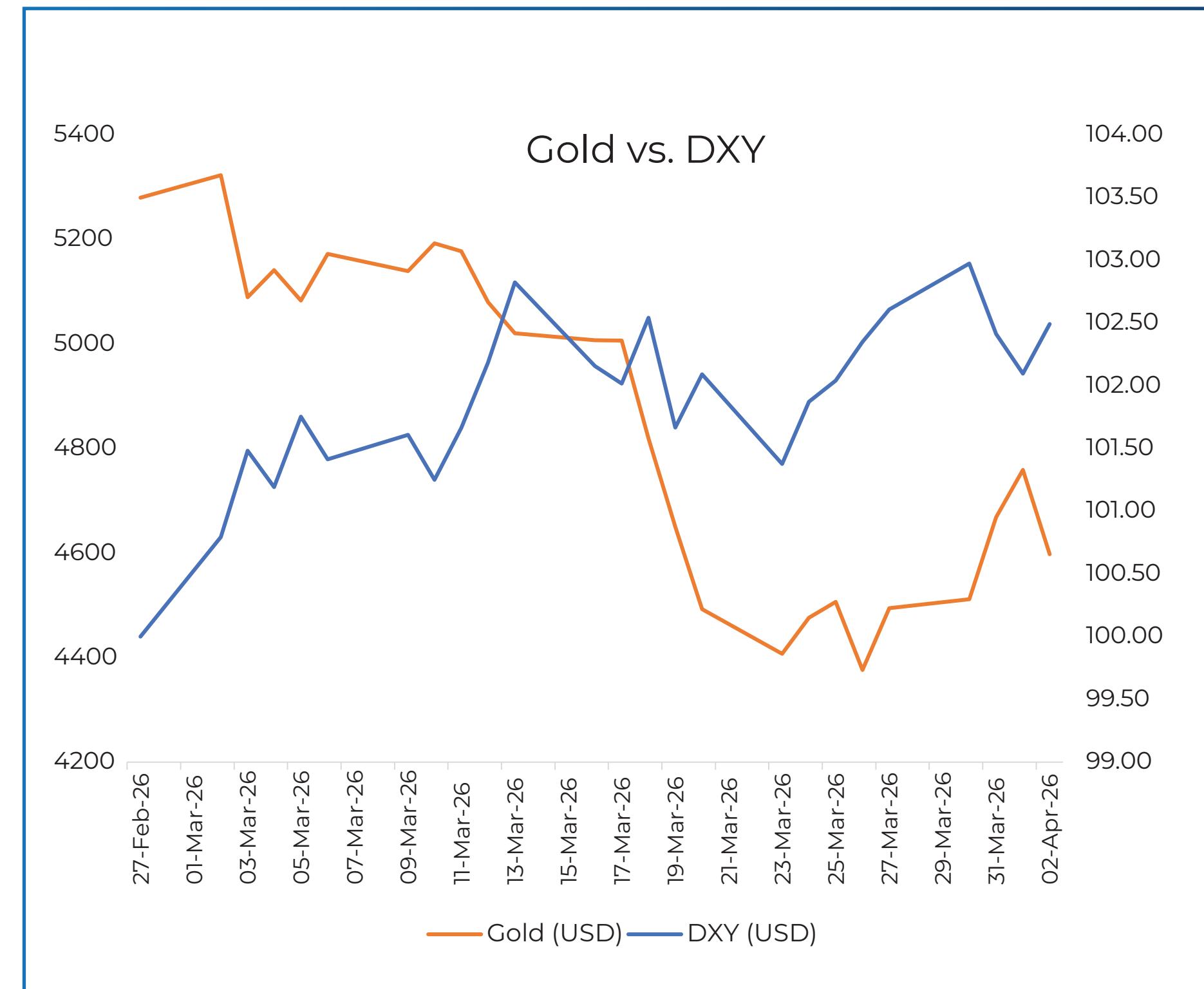
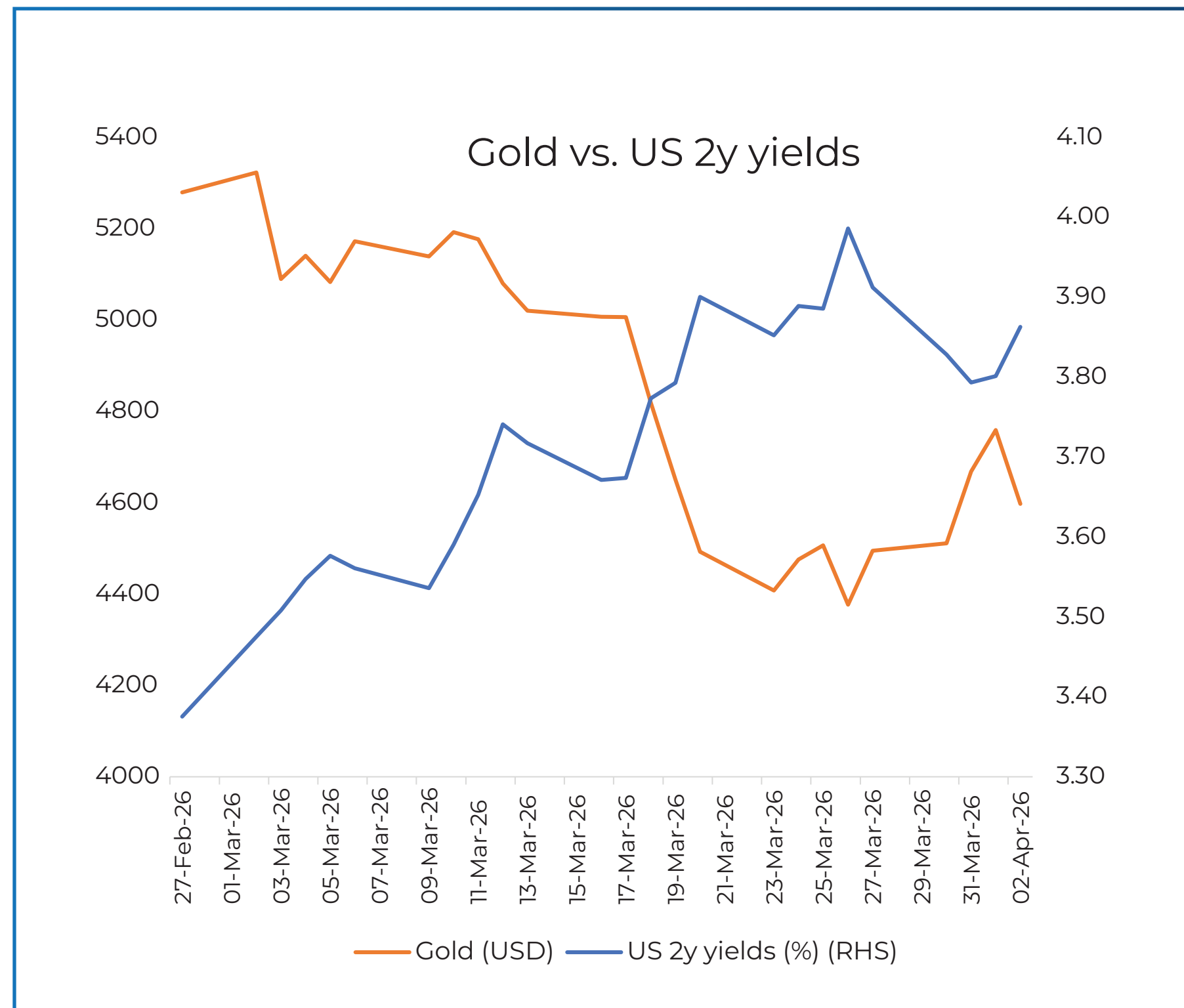
Perspectives on Precious Metals

April 2026



What has driven the recent correction in Gold?

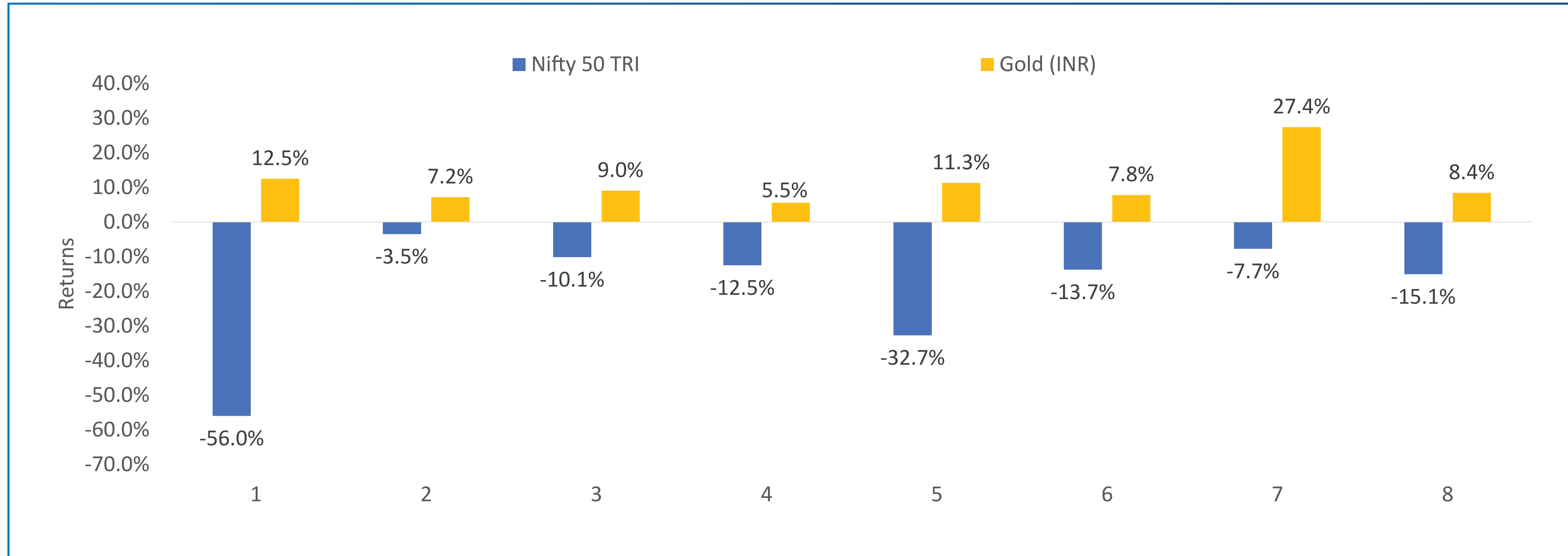
US Treasury Yields and USD have become highly negatively correlated with gold since the conflict started



Source: Bloomberg, Internal Calculations

Gold prices have corrected amid rising global yields and a stronger US dollar, as higher oil prices stoked inflation concerns and reduced rate cut expectations

Gold has historically outperformed equities during historical episodes of market stress



1- Global Financial Crisis (2/1/2008 - 29/10/2008), 2 -Taper tantrum (2/5/2013 – 30/9/2013), 3 - China devaluation (15/6/2015 – 15/2/2016), 4 – IL&FS Crisis (30/8/2018 – 30/10/2018), 5 – Covid (15/1/2020 – 30/3/2020), 6 - Russia-Ukraine war (18/10/2021 – 30/6/2022), 7 – Global uncertainties / tariff tantrum (16/9/2024 – 15/4/2025), 8 - Geopolitical uncertainties and oil price spike (31/12/2025 – 13/3/2026)

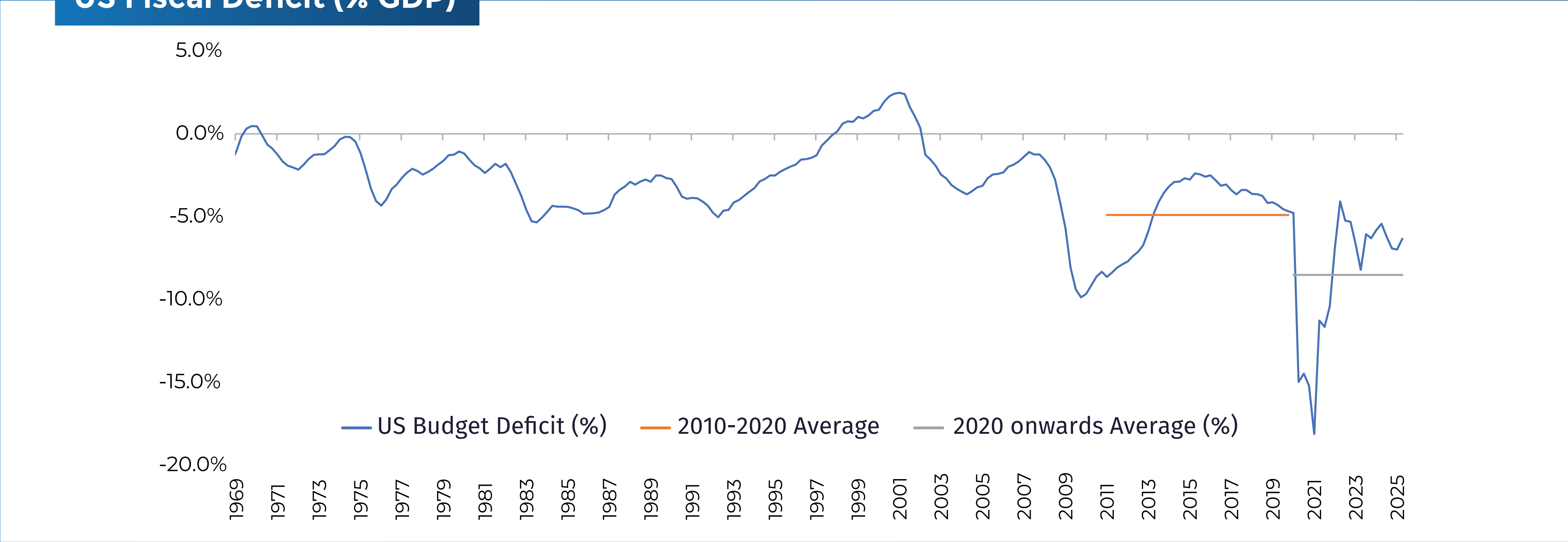
Source: NSE Indices Ltd., Bloomberg, internal calculations. Gold prices in INR do not include any customs duties, local taxes etc. Data as of Mar 30, 2026. Note the historical examples above are not exhaustive and are for illustration purposes. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns**



- ◆ **Longer term, gold can continue to benefit from:**
 - ✓ Increasing concerns around weakening fiscal positions across large global economies
 - ✓ Trade frictions remaining high in an increasingly multipolar world
 - ✓ Recovery in global gold ETF inflows leading to additional demand for physical gold
- ◆ **In the short term, West Asia conflict is being monitored by investors. This will impact:**
 - ✓ Interest rate movements from the Fed
 - ✓ How quickly Central Bank's can resume buying to diversify their reserves and reduce USD exposure

US fiscal position has been weakening

US Fiscal Deficit (% GDP)

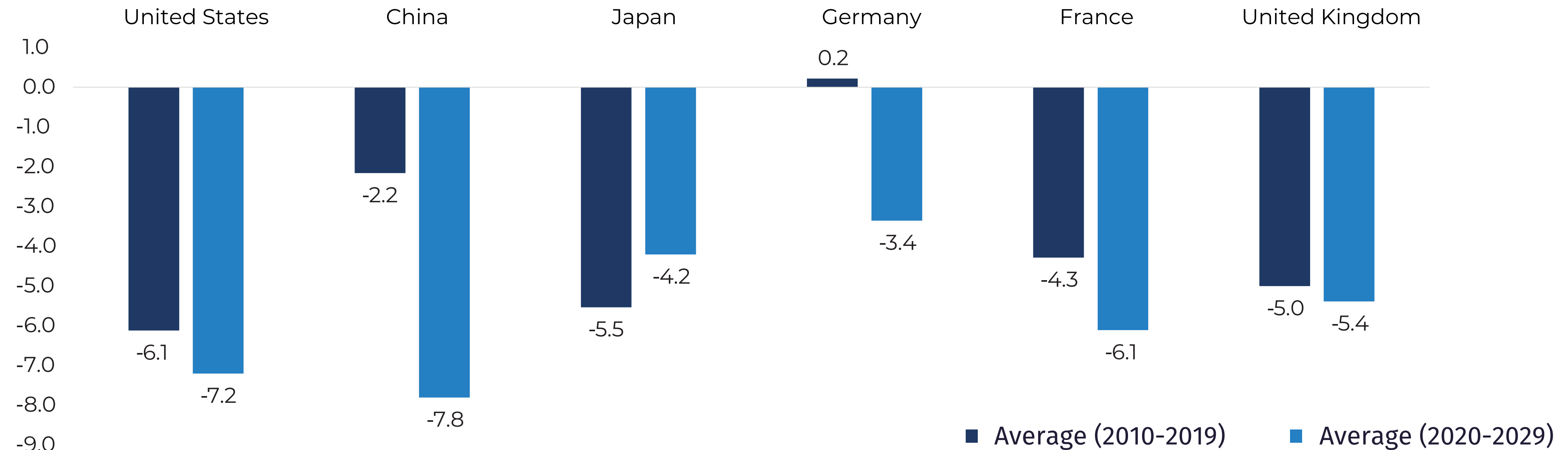


Source: Bloomberg

Investors are diversifying away from the USD as US fiscal health deteriorates

Weakening fiscal position - not just a US problem (1)

Average deficit (% of GDP)



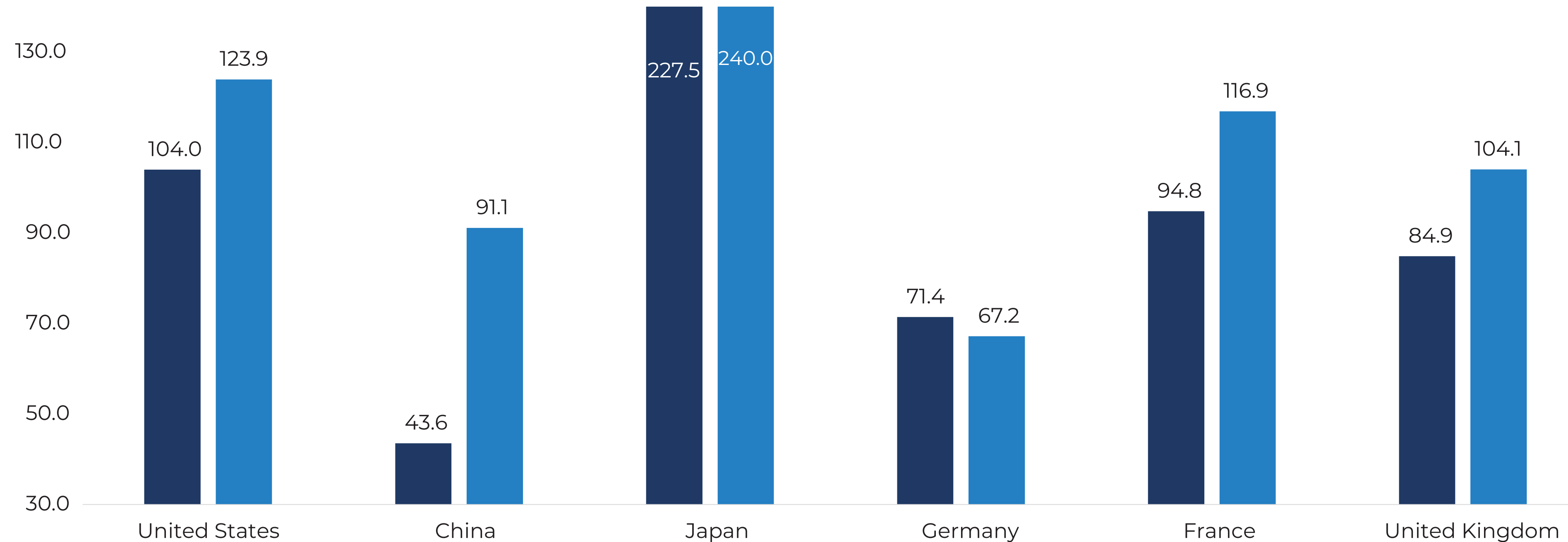
Source: IMF WEO. Estimates for deficits start after 2024 for US, China, Germany, UK and after 2023 for France and Japan

Deficits for large global economies are expected to increase on average this decade compared to last decade

Weakening fiscal position - not just a US problem (2)

**Average Gross Debt (% of GDP)
expected to increase**

■ Average (2010-2019) ■ Average (2020-2029)



Source: IMF WEO. Estimates for deficits start after 2024 for US, China, Germany, UK and after 2023 for France and Japan

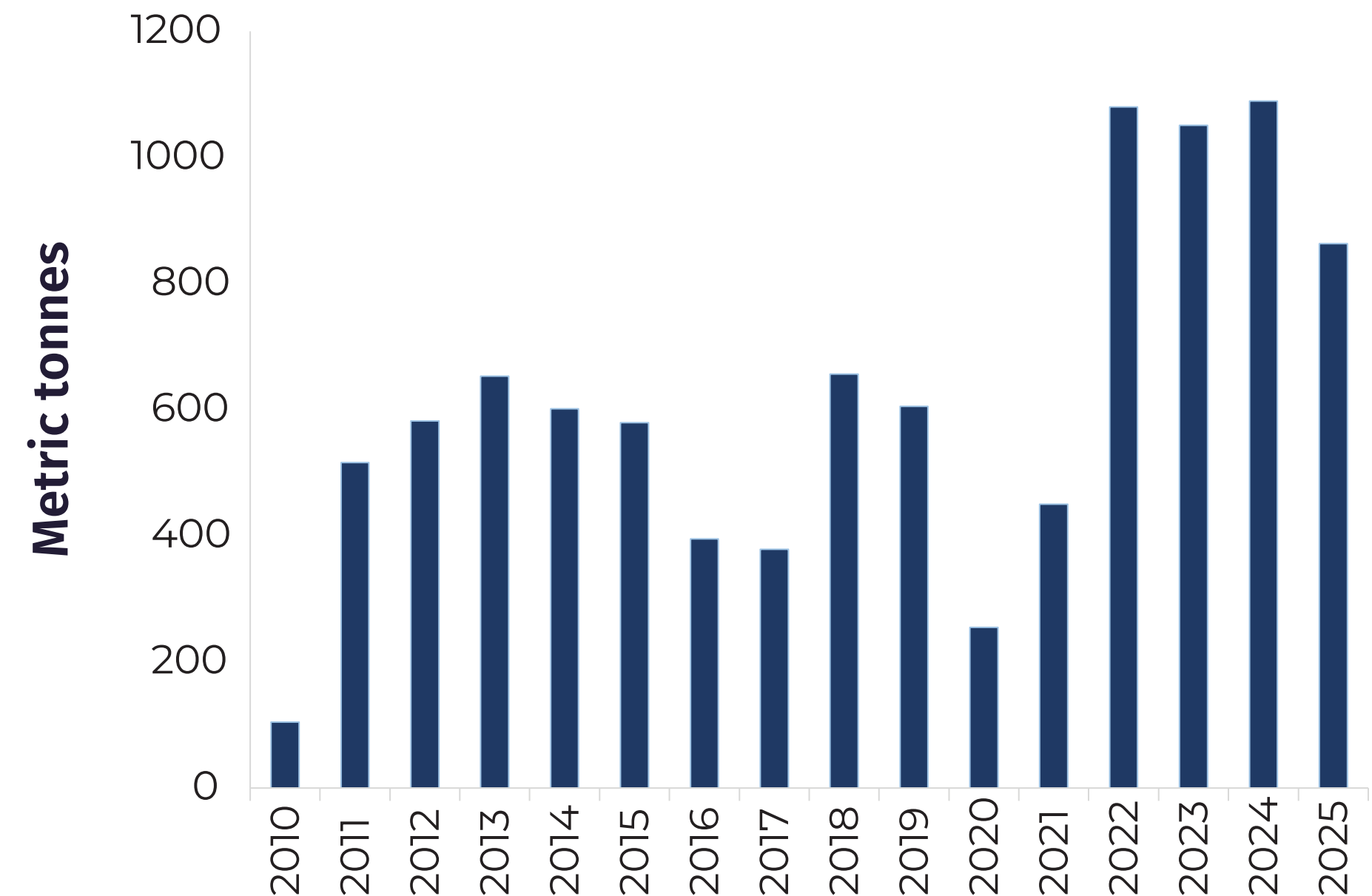
Persistently high deficits can lead to elevated government debt levels => debt sustainability concerns may cause investors to diversify away from government bonds to scarce precious metals

- Rising fiscal deficits, ongoing trade uncertainties and certain geopolitical issues have led investors to turn to gold as a hedge to help protect their portfolios due to:
 - ✓ Increased risk of world splitting into fragmented trade and financial blocs
 - ✓ Ongoing conflict in West Asia
 - ✓ Russia - Ukraine conflict continues despite attempts to mediate a peaceful solution
 - ✓ Military action in Venezuela leading to increased concerns about asset seizure
 - ✓ Export restrictions by China on certain rare earths and other commodities



- **Gold has benefitted from Central Bank (CB) purchases for the last several years. Most notably-**
 - CB purchases totalled 863 metric tonnes in CY2025, down from the 1,000+ metric tonnes per year run rate from CY2022-24
 - Largest buyers YtD (Feb 2026) have been the central banks of Poland, Uzbekistan and Kazakhstan
 - RBI gold holdings totalled 880t, accounting for 17.2% Foreign Exchange (FX) reserves – the highest proportion on record (early Feb 2026)

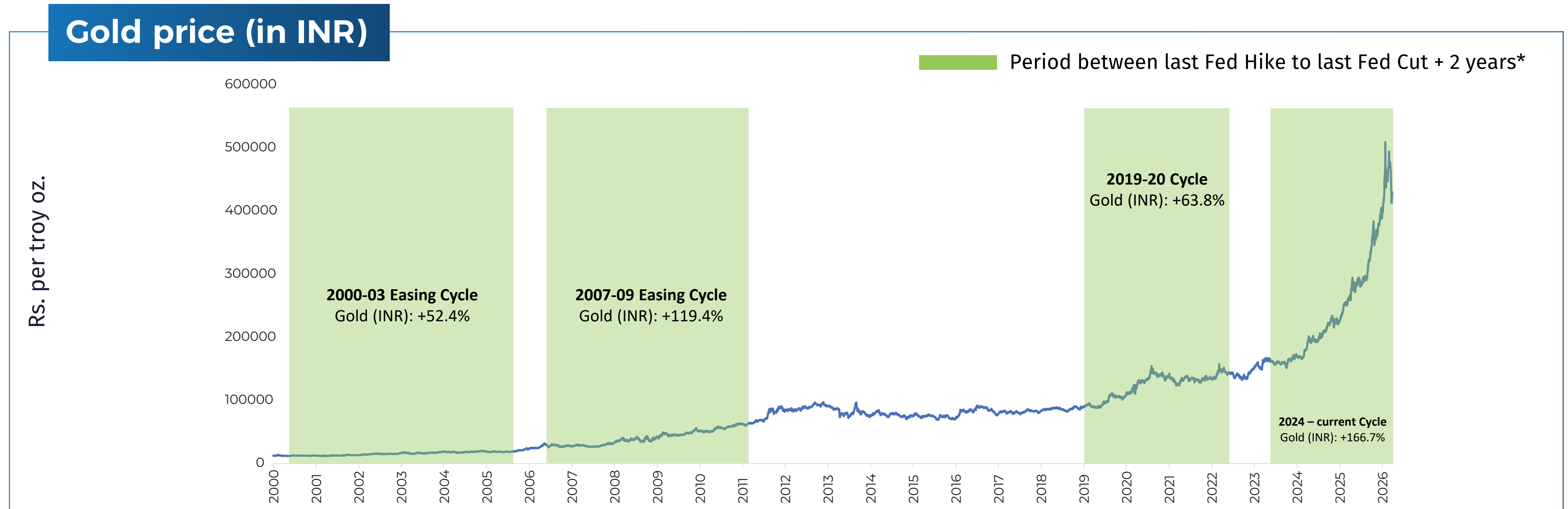
Net Purchases by Global Central Banks (metric tonnes)



Source: Bloomberg, World Gold Council.

Net purchases of gold by global Central Banks has increased sharply since 2022, as they seek to diversify their Forex Reserves

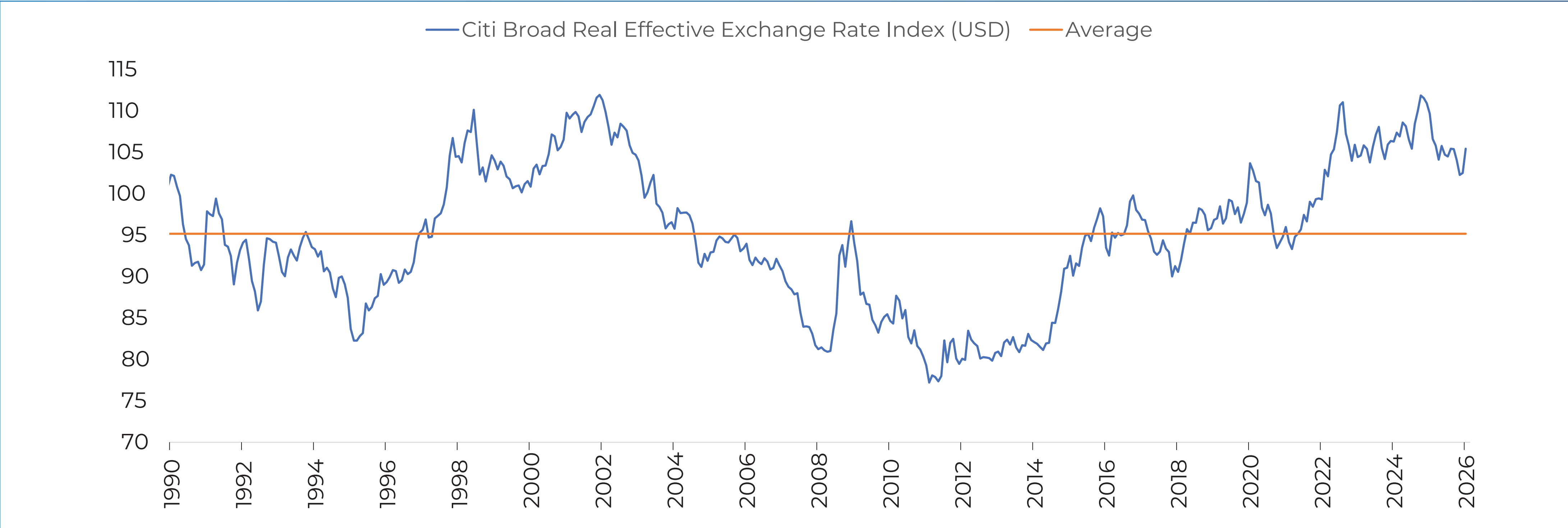
Gold & Interest Rates – Performance of gold during US easing cycles



Source: Bloomberg, internal calculations. Gold prices in INR do not include any customs duties, local taxes etc. Returns are simple ie. not annualized. **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.** *For example, the shaded period for the 2019-20 easing cycle refers to the period between Dec 2018 to Mar 2022. The breakup is as follows - for 2019-20 cycle, the last Fed hike was in Dec 2018, the last Fed cut of the following easing cycle was March 2020 and 2-year period after the last Fed cut ended in Mar 2022.

Historically, Gold has generally performed well in monetary easing environments

US Dollar is above it's long term average

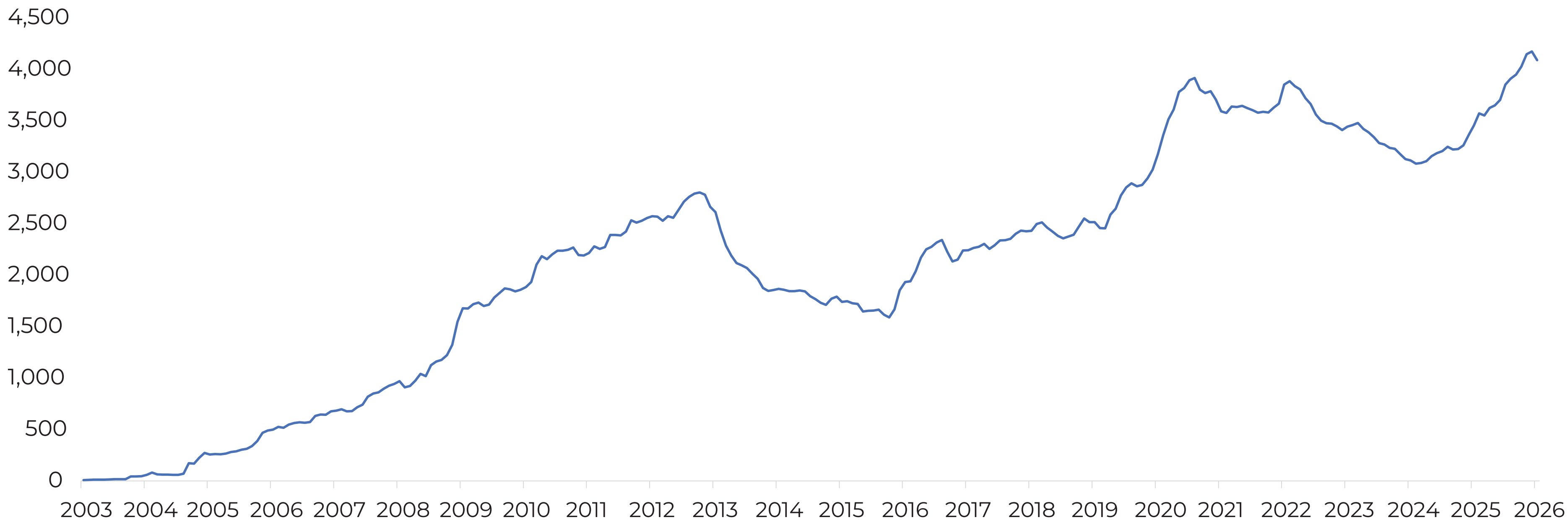


*REER = Real Effective Exchange Rate. It is the inflation-adjusted FX rate vs. a basket of major trading partners. Source: Bloomberg. Data as of Mar 31, 2026

An aggressive US monetary and fiscal policy mix may cause further USD weakness from historically high levels, which may help support gold and silver prices

Potential increase in gold ETF demand can push prices higher

Physical Gold held by global ETFs (tonnes)



Source: World Gold Council. Data as of Mar 31, 2026

Despite the rally in gold price, physical gold held by global ETFs is still close to 2020 levels => increased ETF inflows could potentially boost prices



- ◆ **Gold has served as a store of value across millennia**
- ◆ **Why invest in Gold?**
 - ☑ **Portfolio diversification:**
Gold is considered to balance portfolios against the volatility of other asset classes
 - ☑ **Buffer against currency depreciation:**
Being a globally priced metal, it acts as a hedge against currency depreciation
 - ☑ **Buffer against geopolitical shocks:**
Gold has been perceived as a safe haven since ancient times. Investors generally turn towards gold when adverse geopolitical events occur
 - ☑ **Demand from Central Banks could support prices:**
Central Banks have increased gold purchases to diversify their Foreign Forex Reserve holdings

Gold & Equities – Historically, Gold has performed well or fallen less when Equity markets struggled



MUTUAL FUND

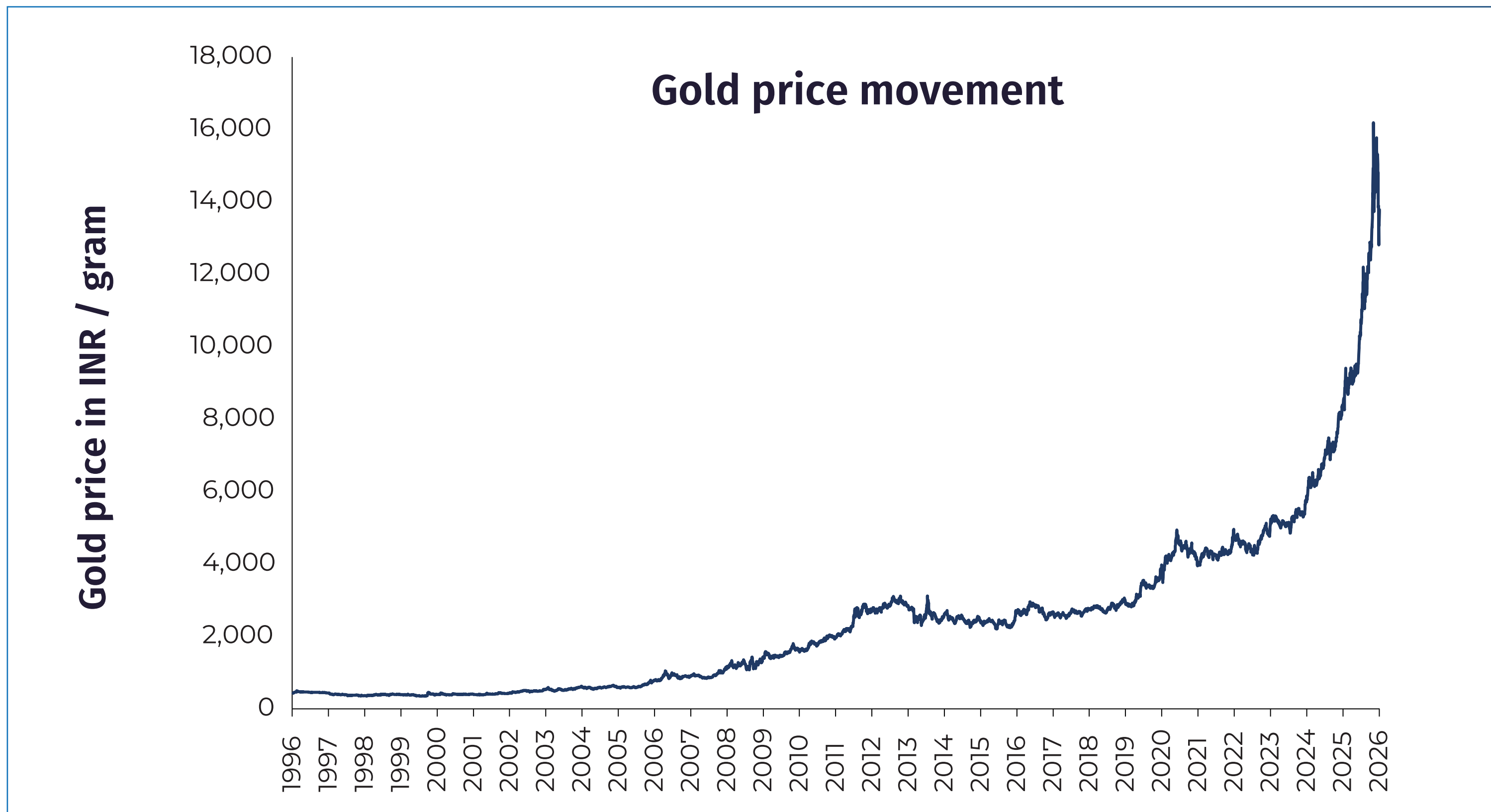
BHAROSA APNO KA

Financial Year	Gold (in INR)	NIFTY 50 TRI	Financial Year	Gold (in INR)	NIFTY 50 TRI
FY00	-3.2%	-3.8%	FY13	2.3%	8.7%
FY01	-1.2%	-24.2%	FY14	-10.8%	19.3%
FY02	22.9%	-0.1%	FY15	-4.9%	28.3%
FY03	8.4%	-11.7%	FY16	10.6%	-7.8%
FY04	16.1%	86.3%	FY17	-0.7%	20.2%
FY05	0.8%	17.3%	FY18	6.7%	11.8%
FY06	39.0%	70.0%	FY19	3.8%	16.4%
FY07	10.8%	14.3%	FY20	32.5%	-25.0%
FY08	27.5%	25.1%	FY21	5.3%	72.5%
FY09	26.8%	-35.4%	FY22	17.6%	20.3%
FY10	7.0%	75.3%	FY23	10.4%	0.6%
FY11	28.0%	12.4%	FY24	13.2%	30.1%
FY12	33.1%	-8.2%	FY25	43.1%	6.7%
			FY26	63.3%	-4.0%

Source: Bloomberg, internal calculations. Gold prices in INR do not include any customs duties, local taxes etc. **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**

Since FY2000, Gold outperformed or fell less than Equities in every FY that Equities had a negative return

Gold has given healthy returns over the last 25+ years



CAGR* returns		
Period	Gold (INR/gm)	Gold (USD/gm)
20 Years	15.0%	10.8%
15 Years	13.5%	8.0%
10 Years	18.0%	13.9%
5 Years	28.2%	21.9%
3 Years	38.1%	31.8%
1 Year	60.5%	45.1%

Source: Bloomberg, Data as on Mar 31, 2026.

Gold prices in INR do not include any customs duties, local taxes etc.

*CAGR: Compounded Annualized Growth Rate.

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

Data as of Mar 31, 2026

- ◆ Investor interest in Silver has surged since ETFs and FoFs were introduced in the Indian market in 2022
- ◆ A deficit in silver has been observed for the fourth consecutive year in 2024, with the shortfall amounting to around 148.9 Moz (Source: World Silver Institute)
- ◆ A backdrop of tight supply against rising demand across new age industries has kept prices supported over recent years

Quick Facts about Silver

- ◆ **As a precious metal used in jewellery, silverware**
- ◆ **As an industrial commodity, it has large industrial use – from electrical switches to solar to chemical producing catalysts.**
- ◆ **Considered as an auspicious metal in most parts of the country – bought especially around events like Dhanteras, Akshaya Tritiya, etc.**
- ◆ **Also serves as an investment tool to hedge against risks - investment demand formed 25% of global demand over 2012-2021 (Source: Silver Institute)**

Did you know?

- Silver's atomic symbol, **Ag**, is from Latin argentum, taken from the Greek ἄργυρος meaning 'shiny'
- Silver was also used as a currency till about 1930s



◆ Several demand and supply side factors have lent support to silver prices:

■ Demand –

- Silver is powering several new age industries, with numerous use cases across electric vehicles, solar power, 5G infrastructure and AI-related electronics
- Industrial demand from the above segments is expected to account for ~60% of total demand for silver in 2025, up from ~50% in 2016
- Investment demand as investors choose to hold precious metals to diversify away from USD

■ Supply –

- Silver is expected to be in structural deficit for the fifth consecutive year, with the shortfall expected to be -117.6 million ounces in 2025
- Supply may not rise quickly in response to higher prices. This is because primary silver mines – mines whose major output is silver - account for just 27% of total production. Other silver production comes as a by-product of copper, zinc and gold mining
- Additionally, reducing the deficit in silver may prove difficult, since mine production is expected to peak in 2026 and then fall as several mines reach their end-of-life
- Formal recognition of silver as a critical mineral by the US Government and export management announcements by China signal the strategic importance of silver in the coming years

Source: The Silver Institute – World Silver Survey 2025, publicly available information

Refer disclaimers on slide 30

As a Industrial Commodity

- Play on industrial recovery – with heavy usage in portable devices, industrial equipment
- Improving demand outlook on account of higher adoption in new age and green technologies – solar panels, electronic devices, electric vehicles, new age pharmaceutical products, water purification



As a Precious Metal

- Hedge against currency depreciation
- Diversification

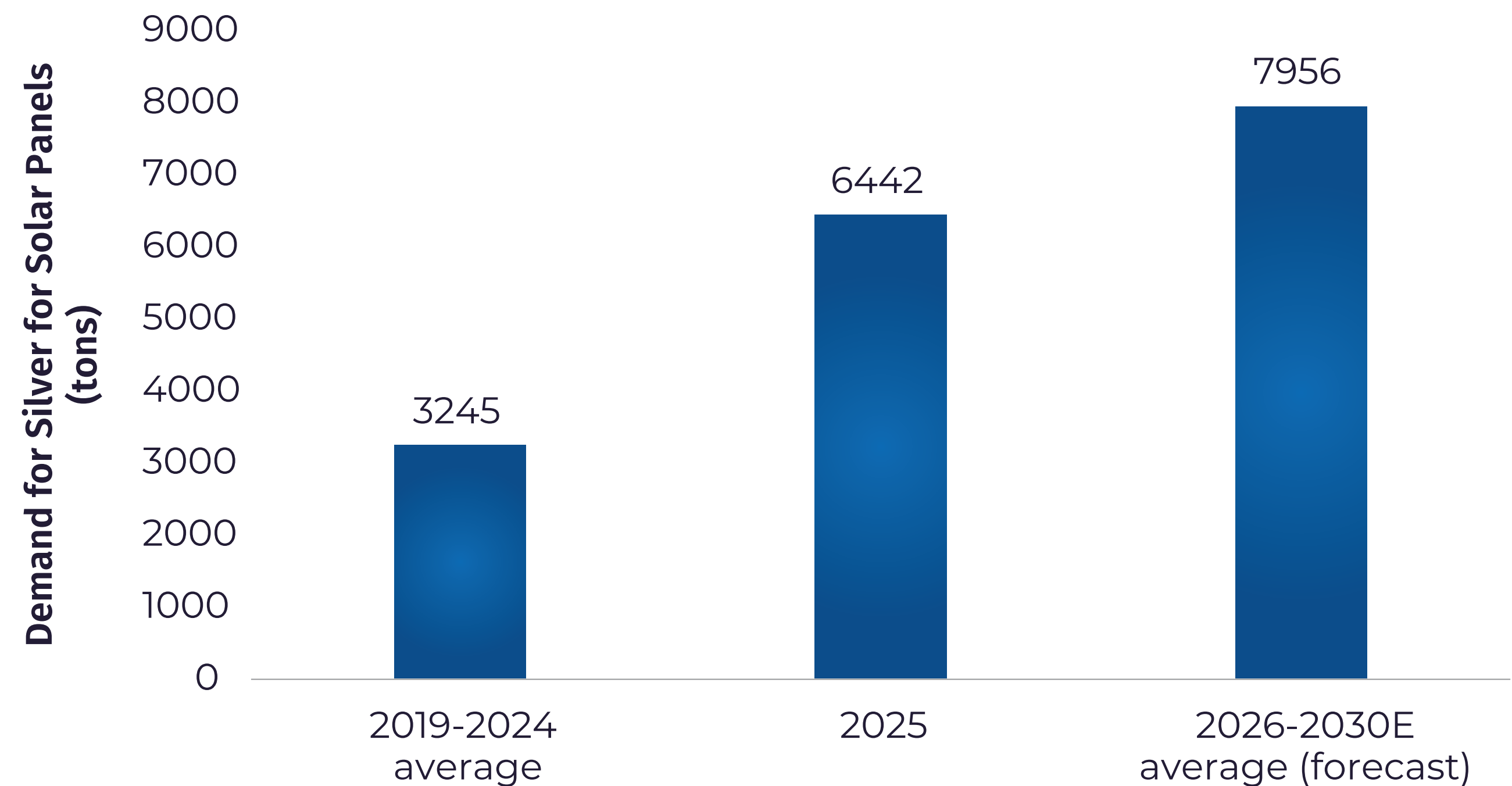
Silver – A Key Component in Solar Energy Generation



■ Did you know?

- Each solar cell uses approximately 100mg of silver
- **Aggressive goals set by countries, including India, regarding renewable energy – Solar holding a significant share in the same**

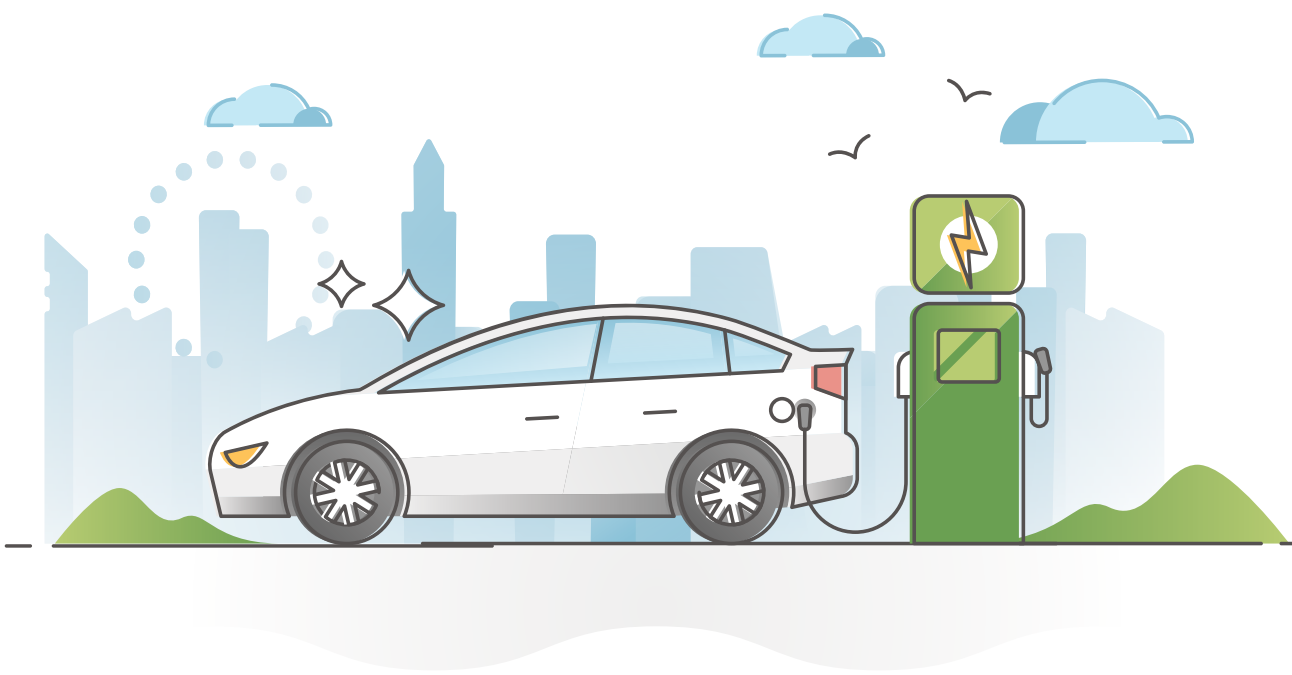
Increasing Solar Power Demand = Increasing Silver Demand



Source: Silver Institute, BofA Global Research

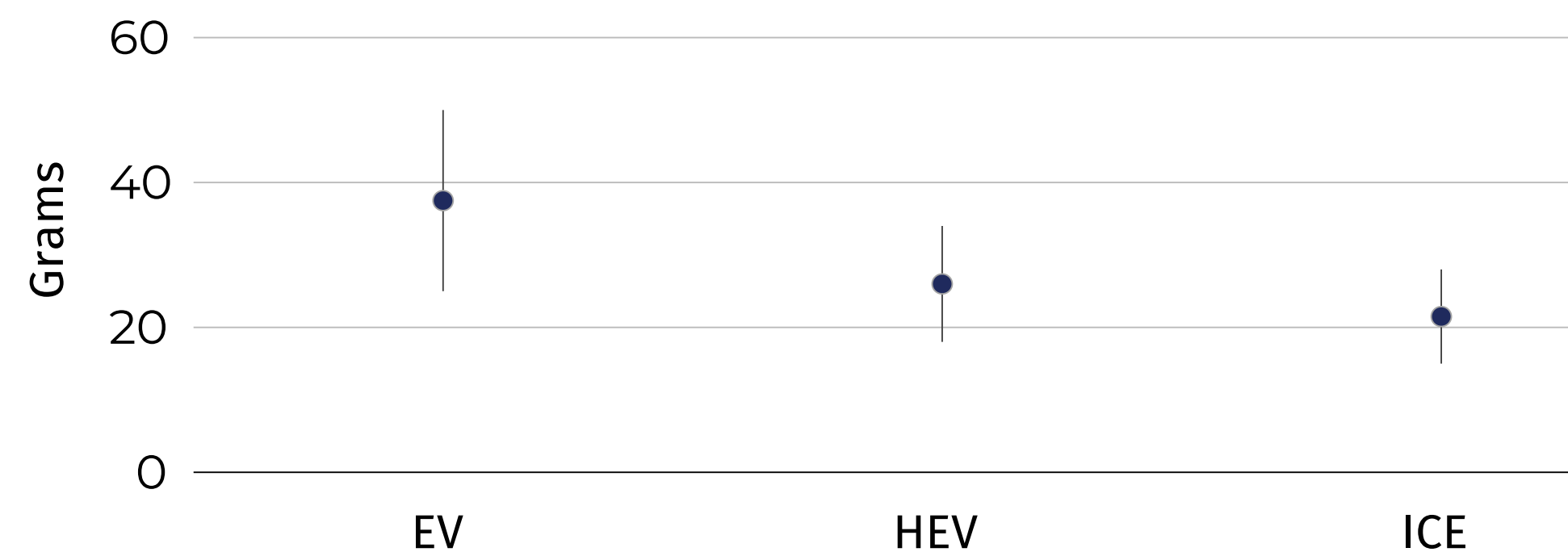
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Silver being actively adopted in EVs*

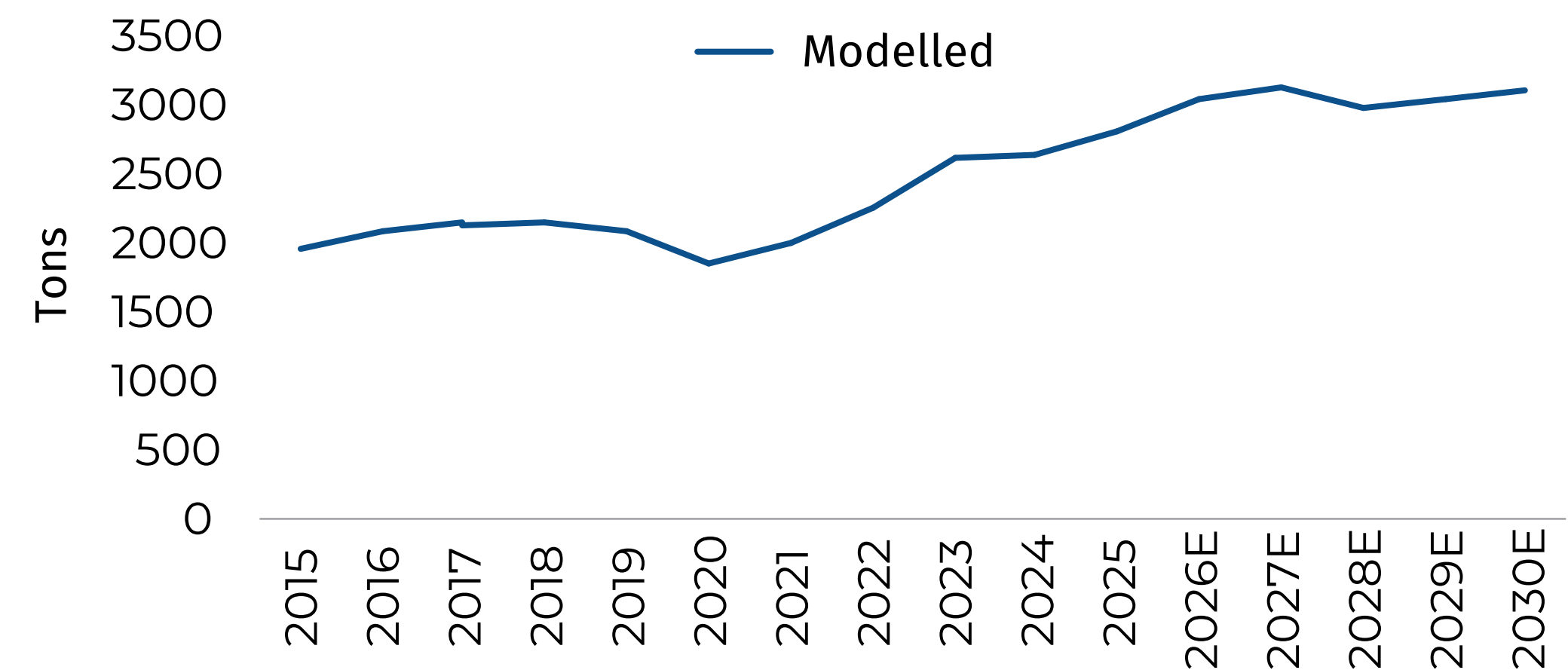


- Increasing share of EVs in the automobile market is expected to increase demand of Silver as EVs use almost twice the silver used in the traditional Internal Combustion Engine (ICE) car.
- Charging stations also expected to increase the demand for silver

Demand of Silver for Different Types of Vehicles



Overall Demand of Silver for EVs



*Note: EV – Electric Vehicle; HEV – Hybrid Electric Vehicle; ICE - Internal Combustion Engine
Source: Silver Institute, BofA Global Research

Refer disclaimers on slide 30

Silver has given healthy returns over the last 25+ years



CAGR* returns		
Period	Silver (INR/gm)	Silver (USD/gm)
20 Years	13.6%	9.4%
15 Years	9.6%	4.3%
10 Years	20.7%	16.5%
5 Years	30.6%	24.1%
3 Years	50.5%	43.6%
1 Year	129.8%	107.8%

Source: Bloomberg, Data as on Mar 31, 2026. Silver prices in INR do not include any customs duties, local taxes etc. *CAGR: Compounded Annualized Growth Rate.

Data as of Mar 31, 2026

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Gold / Silver Ratio



Source: Bloomberg, Data as on Mar 31, 2026

**The Gold-Silver Price Ratio shows the relative price movement of gold versus silver
The ratio was 62.6, lower than its 10y average of 80.9 (as of Mar 31, 2026)**

Rolling Return Period	Average Rolling Returns				Standard Deviation			
	Gold	Silver	NIFTY 50 TRI	Debt	Gold	Silver	NIFTY 50 TRI	Debt
1 year	15.1%	16.1%	16.0%	7.9%	17.7%	33.6%	25.3%	7.5%
3 year	13.4%	12.4%	15.2%	7.3%	9.8%	15.7%	12.4%	4.7%
5 year	12.8%	11.8%	15.5%	6.7%	7.5%	10.7%	8.6%	2.5%

Source: Bloomberg, Data as on Mar 31, 2026. Data from June 1999 has been considered for the above analysis. For Debt, we have used the NIFTY 10 yr Benchmark G-Sec Index (TRI). For Gold and Silver, we have used international prices converted to INR without considering taxes, duties and charges. **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**



Consider investing in Gold & Silver Digitally through:

HDFC Gold ETF

BSE Scrip code: 533230
NSE Symbol: HDFCGOLD

HDFC Silver ETF

BSE Scrip Code: 543592
NSE Symbol: HDFCSILVER

HDFC Gold ETF Fund of Fund

HDFC Silver ETF Fund of Fund

Silver is a Voluminous Metal

- Investing INR 25 lakh involves buying **~11kg of silver***
- Density of silver is **10g/cm³**; roughly half of gold
- Storing silver physically in a safe manner could be difficult for an individual



*Source: Bloomberg, internal calculations. As of Mar 31, 2026.
Refer disclaimers on slide 30

Why invest in Gold and Silver digitally?



Convenience & Safety

Respective ETFs invest in physical Gold and Silver – investors saved from the hassle of physical storage



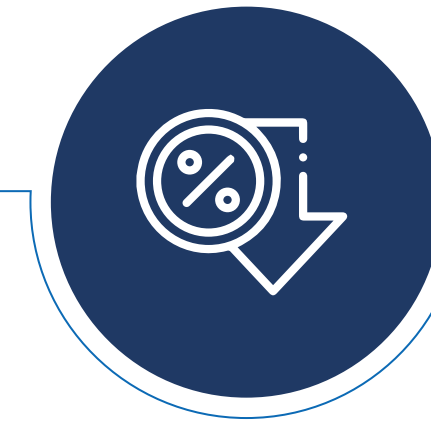
Purity

Physical Gold and Silver held with 99.5% fineness or above for Gold, and 99.9% fineness or above for Silver[^]



Liquidity

ETF - Market Makers provide liquidity on Stock Exchange
FoF - Investors can invest / redeem units on a daily basis



Lower Cost

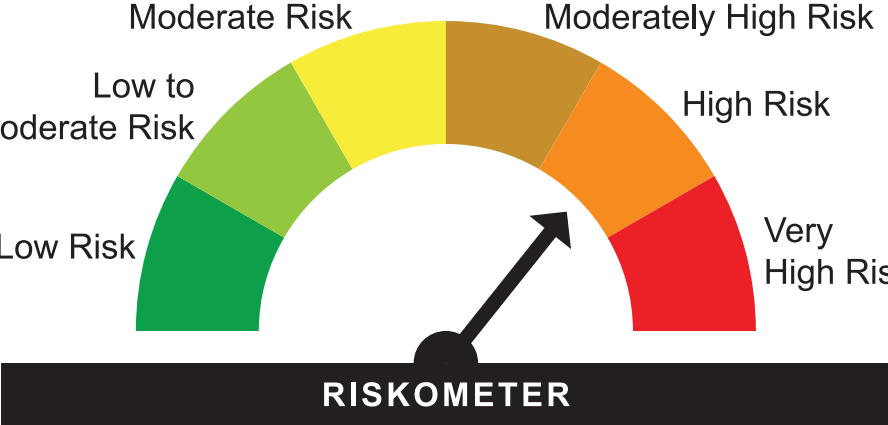
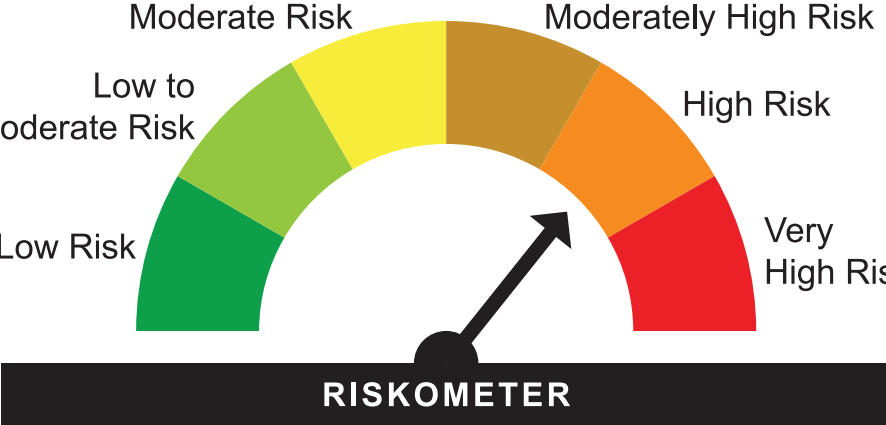
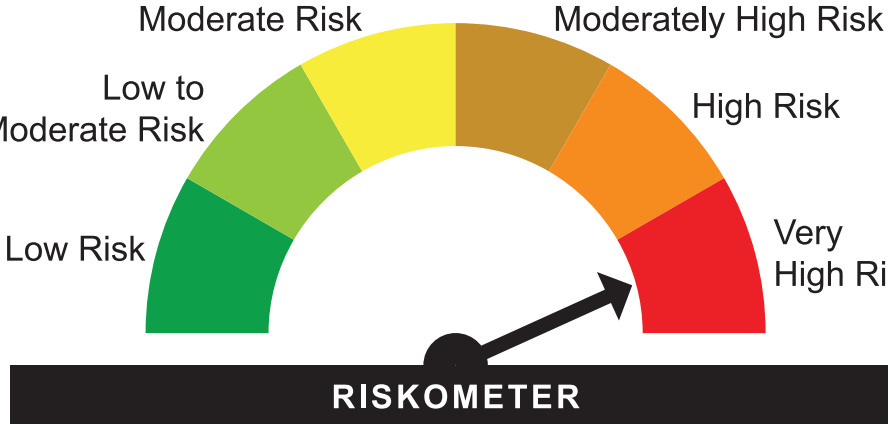
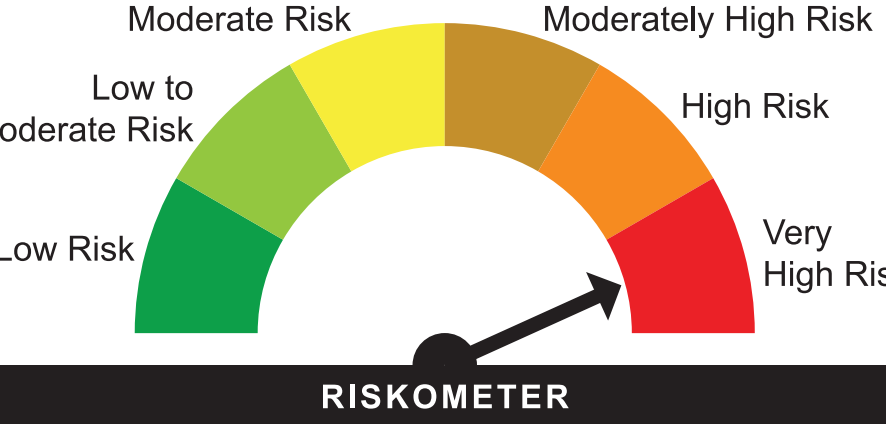
Suitable vehicle for long-term investment due to lower expense ratios

- FoF investors also enjoy these benefits as the FoF invests in the respective ETF units
- [^] complies with Good Delivery norms as specified by SEBI Regulations

- ◆ For fresh purchases made, a 12.5% LTCG rate (> 12 months holding period for ETFs, > 24 months holding period for ETF FoFs) would be applicable

	Instrument	Holding Period	Units acquired prior to April 01, 2023		Units acquired on or after April 01, 2023	
			Short-Term Capital Gains Tax	Long-Term Capital Gains Tax	Short-Term Capital Gains Tax	Long-Term Capital Gains Tax
Units redeemed between July 23, 2024 and March 31, 2025	Gold / Silver ETF	12 months	Investor's Income Tax Slab Rate*	12.5%*	Investor's Income Tax Slab Rate*	Investor's Income Tax Slab Rate*
	Gold / Silver ETF FOF	24 months				
Units redeemed after March 31, 2025	Gold / Silver ETF	12 months	Investor's Income Tax Slab Rate*	12.5%*	Investor's Income Tax Slab Rate*	12.5%*
	Gold / Silver ETF FOF	24 months				

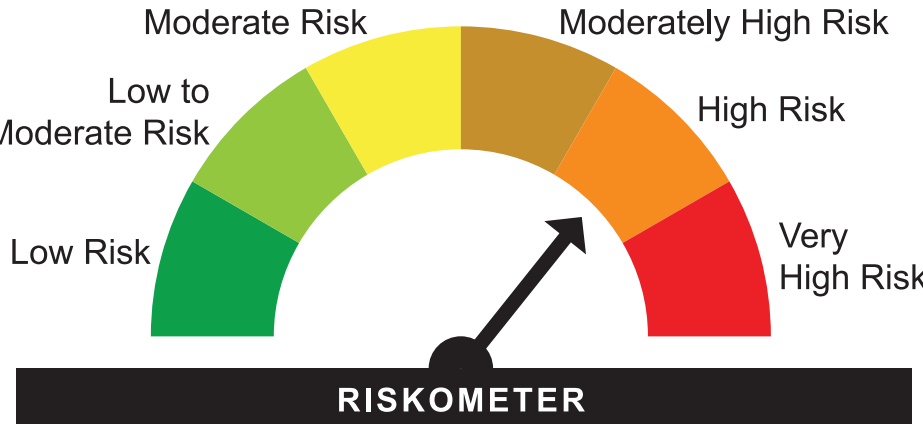
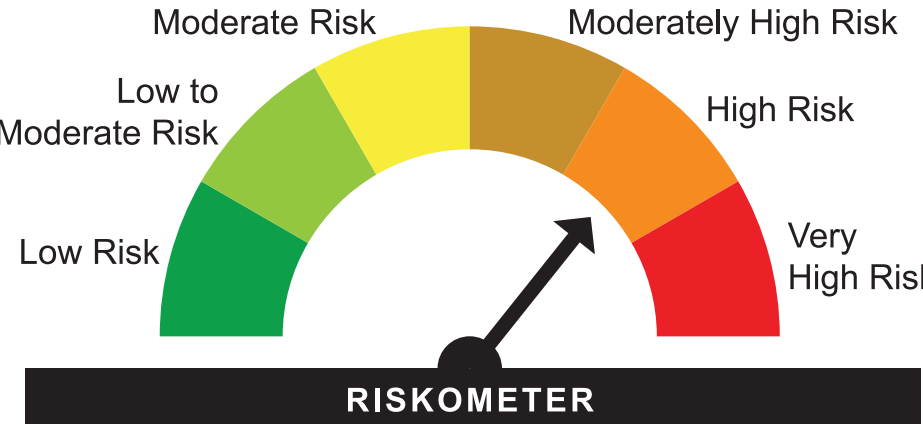
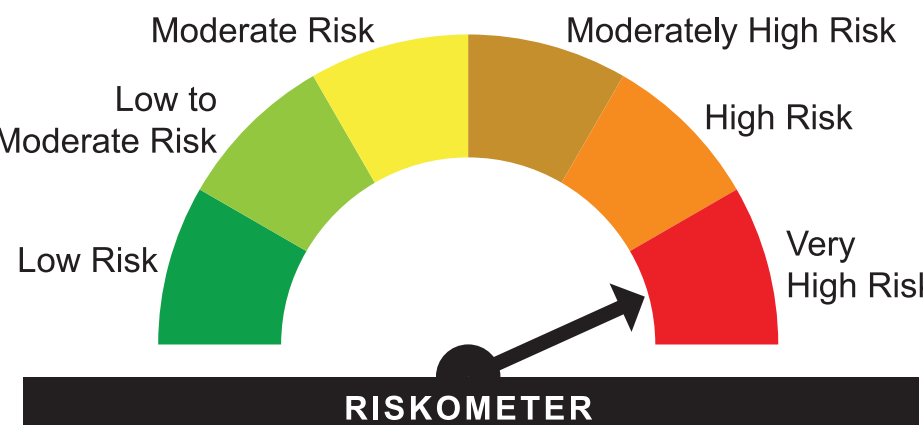
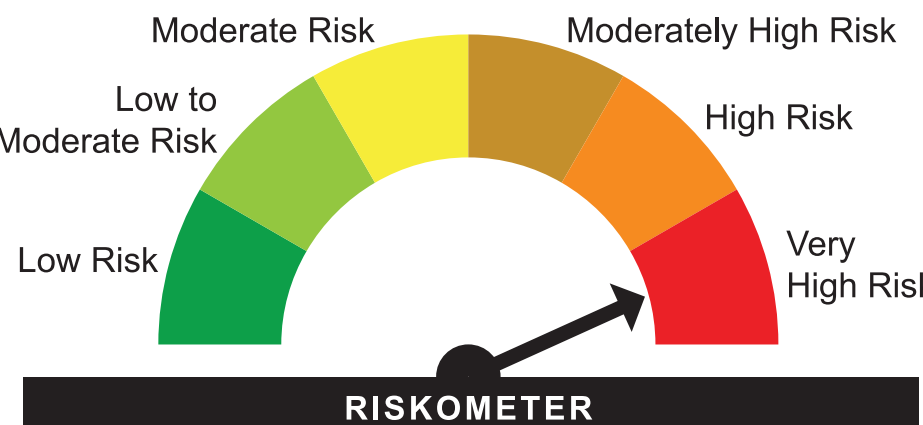
Source: India Budget. *Surcharge and Health & Education Cess as applicable. In view of the individual nature of the tax consequences, each investor is advised to consult his/ her own professional tax advisor.

Fund Name & Benchmark Exchange traded Fund	Product Labelling (This product is suitable for investors who are seeking~)	Scheme Riskometer#	Benchmark Riskometer#
<p>HDFC Gold ETF An open ended scheme replicating / tracking performance of Gold</p> <p>BENCHMARK: Domestic Price of Physical Gold</p>	<ul style="list-style-type: none"> Returns that are commensurate with the performance of gold, subject to tracking errors, over long term Investment in Gold bullion of 0.995 fineness 	 <p>RISKOMETER <i>The risk of the scheme is high</i></p>	 <p>RISKOMETER <i>The risk of the benchmark is high</i></p>
<p>HDFC Silver ETF An open ended Exchange Traded Fund (ETF) replicating/tracking performance of Silver</p> <p>BENCHMARK: Domestic Prices of physical Silver (derived as per regulatory norms)</p>	<ul style="list-style-type: none"> Returns that are commensurate with the performance of Silver, subject to tracking errors, over long term Investment in Silver bullion of 0.999 fineness 	 <p>RISKOMETER <i>The risk of the scheme is very high</i></p>	 <p>RISKOMETER <i>The risk of the benchmark is very high</i></p>

* Investors should consult their financial advisers, if in doubt whether the products 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 Benchmark and Scheme Riskometer as on Mar 31, 2026

Product Labeling and Riskometers

Fund Name & Benchmark Fund of Fund	Product Labelling (This product is suitable for investors who are seeking~)	Scheme Riskometer#	Benchmark Riskometer#
<p>HDFC Gold ETF Fund of Fund An open ended Fund of Fund scheme investing in HDFC Gold ETF</p> <p>BENCHMARK: Domestic Price of Physical Gold</p>	<ul style="list-style-type: none"> • Capital appreciation over long term • Investment in Units of HDFC Gold ETF (HGETF). HGETF invests in gold bullion of 0.995 fineness 	 <p>The risk of the scheme is high</p>	 <p>The risk of the benchmark is high</p>
<p>HDFC Silver ETF Fund of Fund An open ended Fund of Fund scheme investing in HDFC Silver ETF</p> <p>BENCHMARK: Domestic Prices of physical Silver (derived as per regulatory norms)</p>	<ul style="list-style-type: none"> • Capital appreciation over long term. • Investment in Units of HDFC Silver ETF (HSETF). HSETF invests in Silver and Silver related instruments 	 <p>The risk of the scheme is very high</p>	 <p>The risk of the benchmark is very high</p>

~ Investors should consult their financial advisers, if in doubt whether the products 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
Benchmark and Scheme Riskometer as on Mar 31, 2026.

Note: Investors in HDFC Gold ETF Fund of Fund and HDFC Silver ETF Fund of Fund 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).

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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



Thank You

