



HSBC Mutual Fund

Indian exports are sailing on the wave of growth
Get your investment on board this opportunity

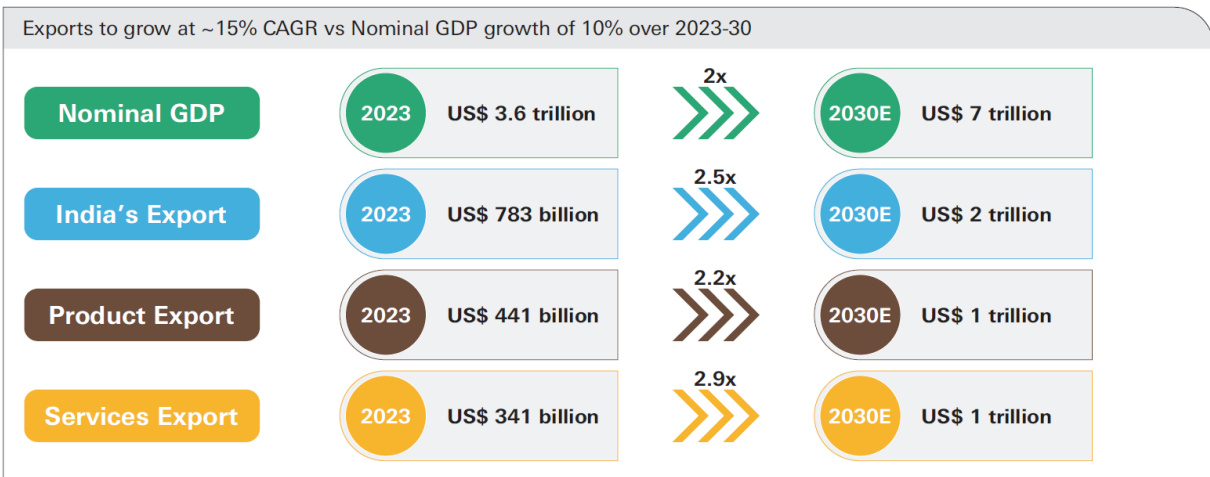
HSBC India Export Opportunities Fund

(An open ended equity scheme following export theme)

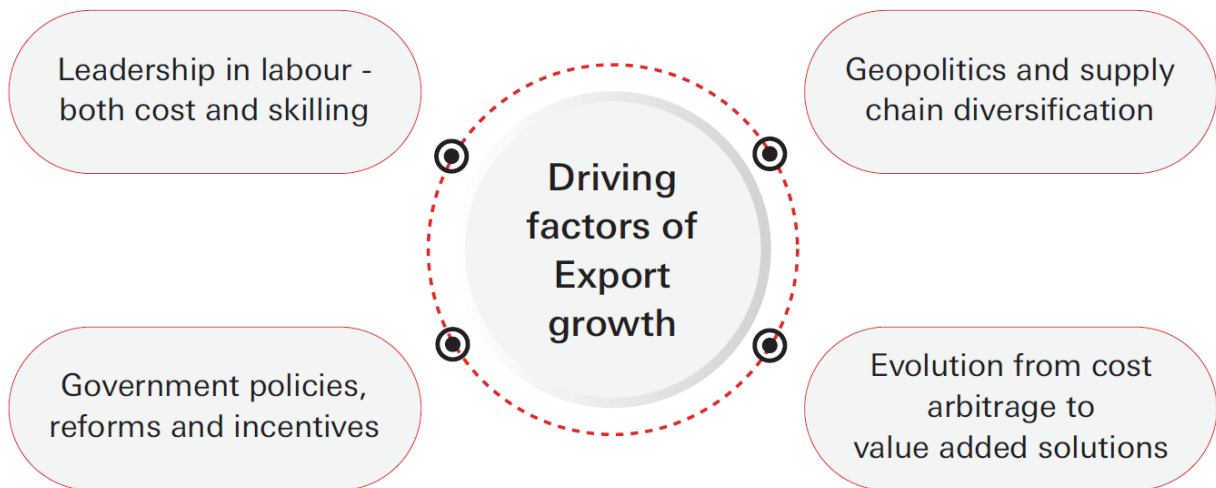
NFO Dates: 5 - 19 September 2024

NFO Note | August 2024

India's export ambitions to drive economic growth

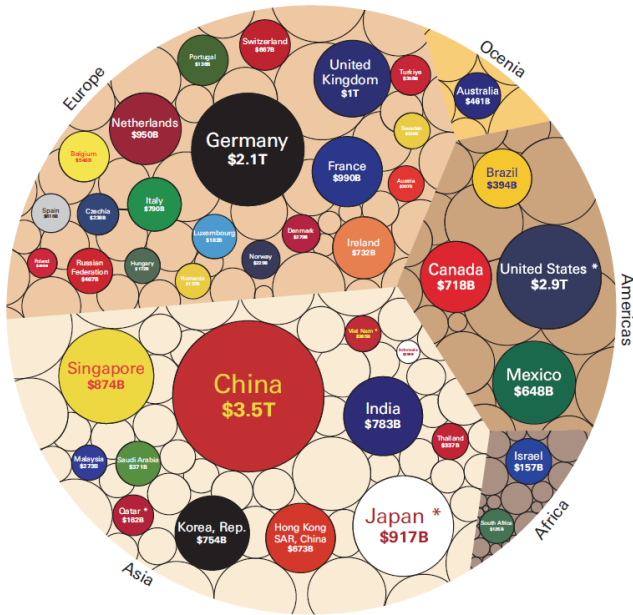


Why export theme in India now?



Source: RBI, Ministry of Commerce and Industry GOI, Latest available data as on 31 July 2024, HSBC Mutual Fund, The above information is for illustrative purposes only. The sector(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Strong exports is important to become a global superpower



GDP trend

Rank	2003	2013	2023	2029E
1	United States	United States	United States	United States
2	Japan	China	China	China
3	Germany	Japan	Germany	India
4	United Kingdom	Germany	Japan	Germany
5	France	France	India	Japan
6	China	United Kingdom	United Kingdom	United Kingdom
7	Italy	Brazil	France	France
8	Spain	Russia	Italy	Brazil
9	Canada	Italy	Brazil	Canada
10	Mexico	India	Canada	Italy
11	Korea	Canada	Russia	Mexico
12	India	Australia	Mexico	Russia

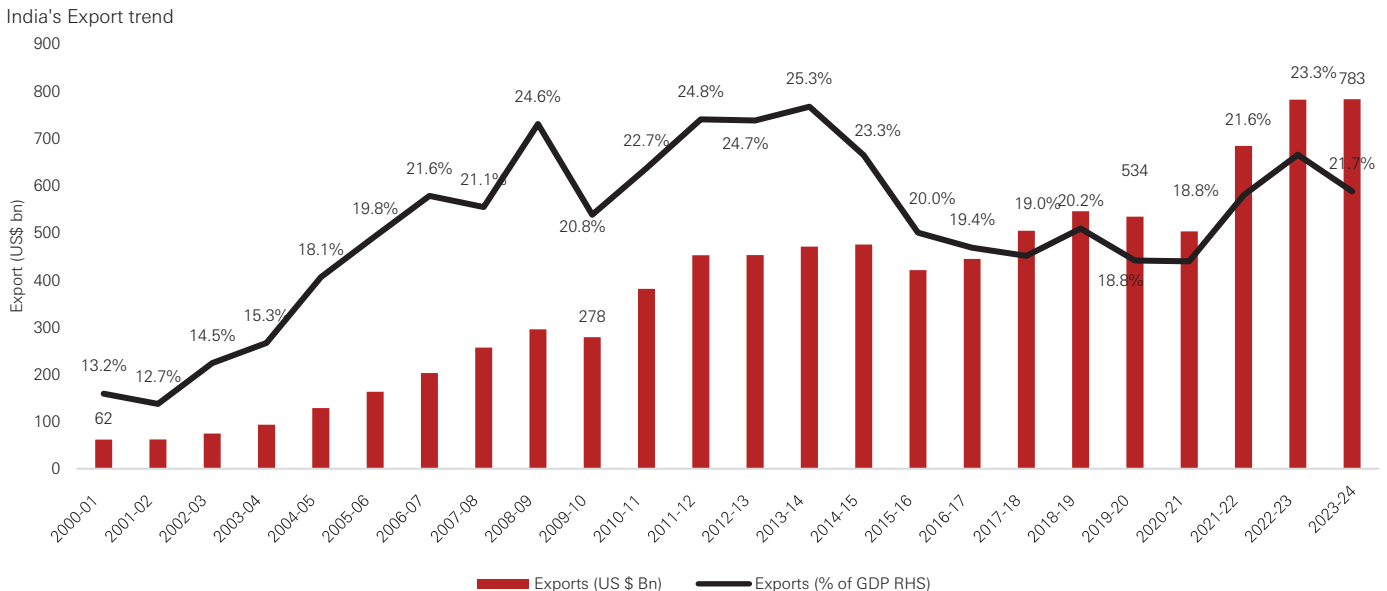
China continues to be "World's Export Factory since 2009"

India's exports surged to 115 countries out of the total 238 destinations during 2023-24

An economy that exports more may have potential to grow bigger over long run

Indian exports have been consistently scaling up

Export growth has been strong post Covid



Indian exports have grown 10% CAGR compared to pre-Covid era, 1.7x of nominal GDP growth

Source: World Bank, Latest available data of Export Infographic (Circle object) as on 31 December 2023, The sector(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Policy initiatives creating champions of Tomorrow by investing Today

Drivers for Exports

- Selected growth sectors to be emphasized for increasing trade
- Domestic manufacturing capacity to be enhanced
- Focused initiatives for capacity building to meet global demands



Telecom



Electronics



Auto parts



Advanced batteries



Pharmaceutical drugs



Solar energy components



Automobiles



Ceramic products



Glassware



Spices

Moving from traditional sectors to sunrise sectors

Source: Ministry of Commerce, HSBC Mutual Fund, Data as on 31 July 2024, The above information is for illustrative purposes only.

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(An open ended equity scheme following export theme)

Exports to grow at ~15% CAGR over FY24-30

- The Indian government has set an ambitious target to achieve \$2tn exports by 2030 implying exports share to increase to ~29%. The government expects exports to grow at ~15% CAGR over FY24-30, with services likely to grow faster than manufacturing. This will aid India to increase its share in world manufacturing from less than 3% in 2023 to its ambition of 5% in 2030 and 10% in 2047.

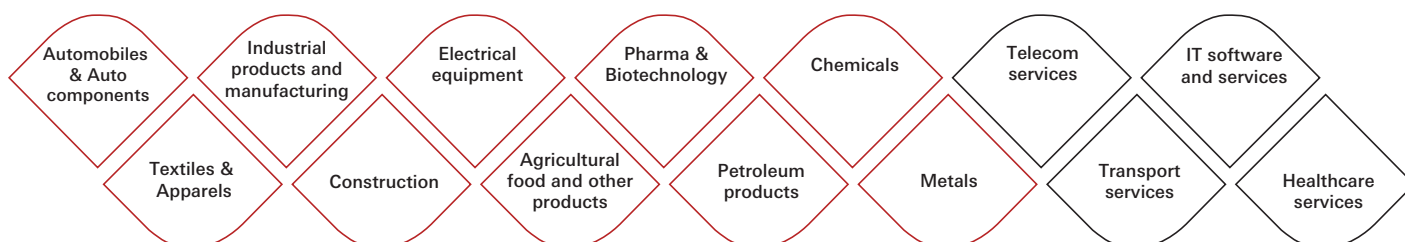
HSBC India Export Opportunities Fund

- Aims to capture the growth in exports. The Scheme intends to invest predominantly in Equities and Equity Related Securities of companies (80%-100%) from the sectors/industry having exports revenue more than 20% from outside India. Further to achieve diversification, the Scheme may invest up to 20% of the assets in Companies of other equity and equity related securities.

Investment focus[^]

HSBC India Export Opportunities Fund

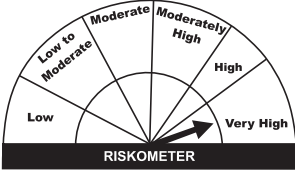
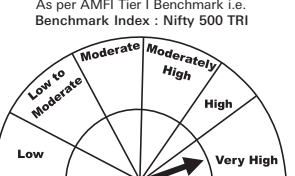
- The aim of the scheme is to generate long-term capital growth from an actively managed portfolio of equity related securities of companies engaged in or expected to benefit from export of goods or services.
- The Scheme intends to invest predominantly in Equities and Equity Related Securities of companies from the sectors/industry having exports with revenue more than 20% from outside India which interalia include:



The fund will take exposure to companies that are likely to involve themselves in the following activities:

- Export goods manufactured in India that have the potential to increase employment
- Benefit from government's policy and reforms towards exports as a sector
- Leverages India's cost benefit arbitrage in services, ease of doing business and highly skilled talent pool
- Assist in promoting inbound tourism or providing cost-effective world-class healthcare facilities

Product Label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
<p>HSBC India Export Opportunities Fund (An open ended equity scheme following export theme)</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> To create wealth over long term Investment predominantly in equity and equity related securities of companies engaged in or expected to benefit from export of goods or Services <p>Benchmark Index: As per AMFI Tier I Benchmark Index - Nifty 500 Total Return Index (TRI)</p>	 <p>Investors understand that their principal will be at Very High risk</p>	<p>As per AMFI Tier I Benchmark i.e. Benchmark Index : Nifty 500 TRI</p> 

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

The product labeling assigned during the New Fund Offer (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.

Source: HSBC Mutual Fund, Data as on 31 July 2024, Source: Bloomberg, GOI, ^Refer to the sections “How will the scheme allocate its assets?” and “Where will the scheme invest?” and “What are the Investment Strategies” in the SID for more details on Asset Allocation and Investments.

The above list of sectors/ industries may change over time based on the company disclosures. The above list is indicative and the Fund Manager may add such activities that satisfies the above exports theme. ^Refer to the sections “How will the scheme allocate its assets?” and “Where will the scheme invest?” and “What are the Investment Strategies” in the SID for more details on Asset Allocation and Investments. The sector(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund / portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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