

# INVESTMENT STRATEGY

## MUTUAL FUND PORTFOLIOS

April 2024

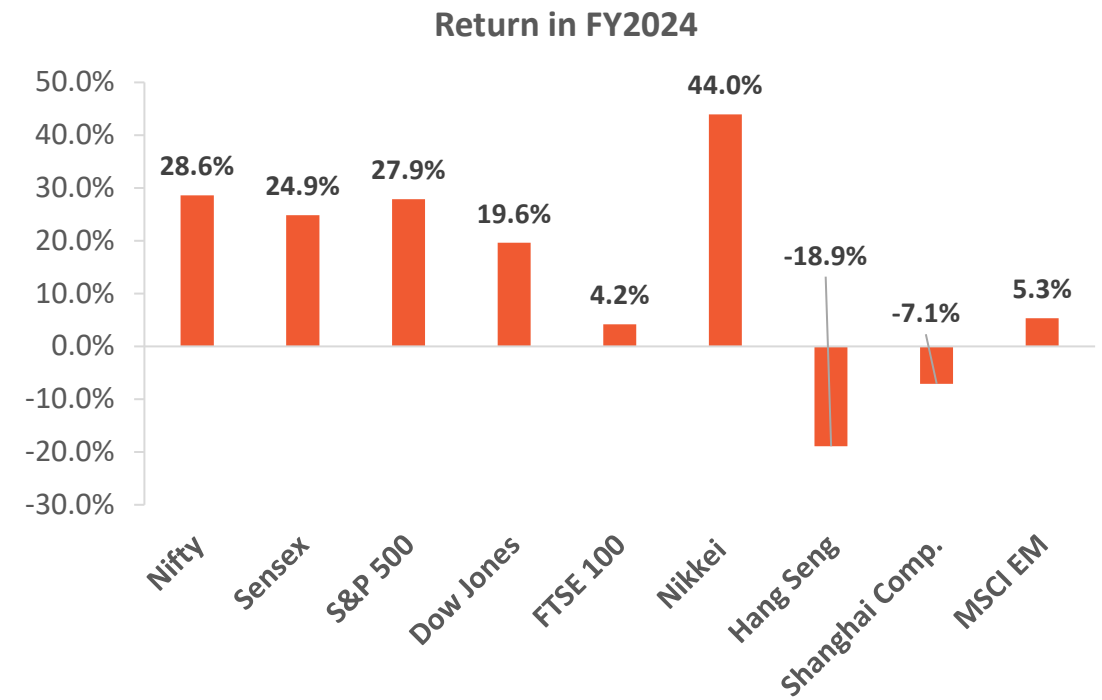


*April 2024*

# Equity Market Outlook

# India outperforms most major global equity markets

- India remained one of the best markets in 2023 and FY2024 among global markets and has been outperforming many of its peers convincingly for the past two years despite various concerns.



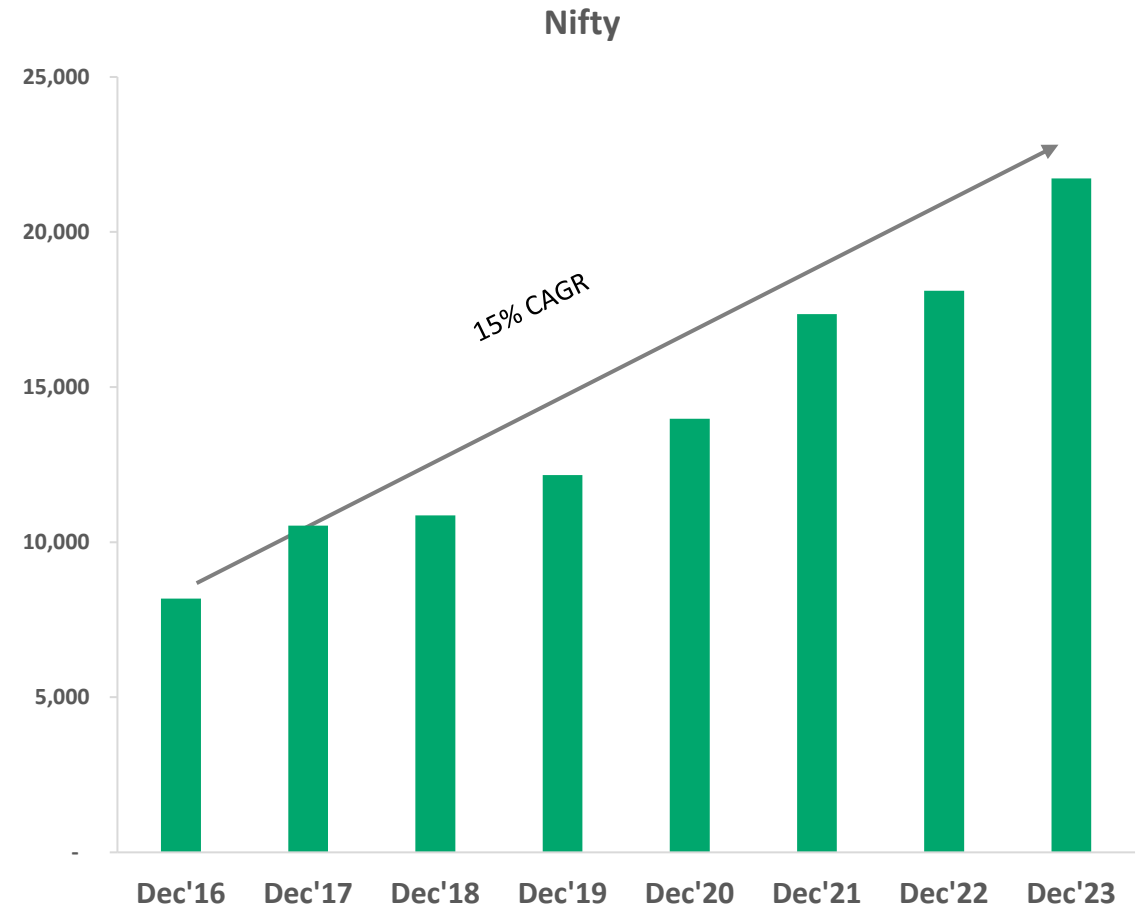
Source: Sharekhan Research

# Nifty: Healthy Returns despite major events in India and Globally

**CY2016-2023 (8 years):** Nifty returns of 15% CAGR despite major events in India & globally

***Major events include:***

- Demonetisation
- GST implementation
- Ballooning bad loans in banks
- ILFS Fiasco leading to credit crunch
- Pandemic & global lockdown
- Russia-Ukraine conflict & supply side issues
- Record inflation & one of the most aggressive rate hike cycle in India & globally



Source: Bloomberg, Sharekhan Research



# Indian Economy

*Primed for multi-year upcycle*

# Indian Economy: Set for multi-year upcycle with all three growth engines firing



## REAL ESTATE

(Solid recovery after slumber)

- Revival in property cycle to sustain driven by a time correction in prices, better affordability, reasonable interest rates and need to have bigger houses
- This has a positive impact on many industries (such as steel, cement, building materials & other related sectors) and generates employment across income strata



## INFRASTRUCTURE

(Infra spendings remain a key booster)

- Budgetary allocation for capex has been going up substantially for last couple of years and supporting various industries
- The government looked at innovative ways like Nation Asset Monetisation Plan to support its ambitious target Rs 111 tn investment under National Infrastructure Pipeline (NIP).



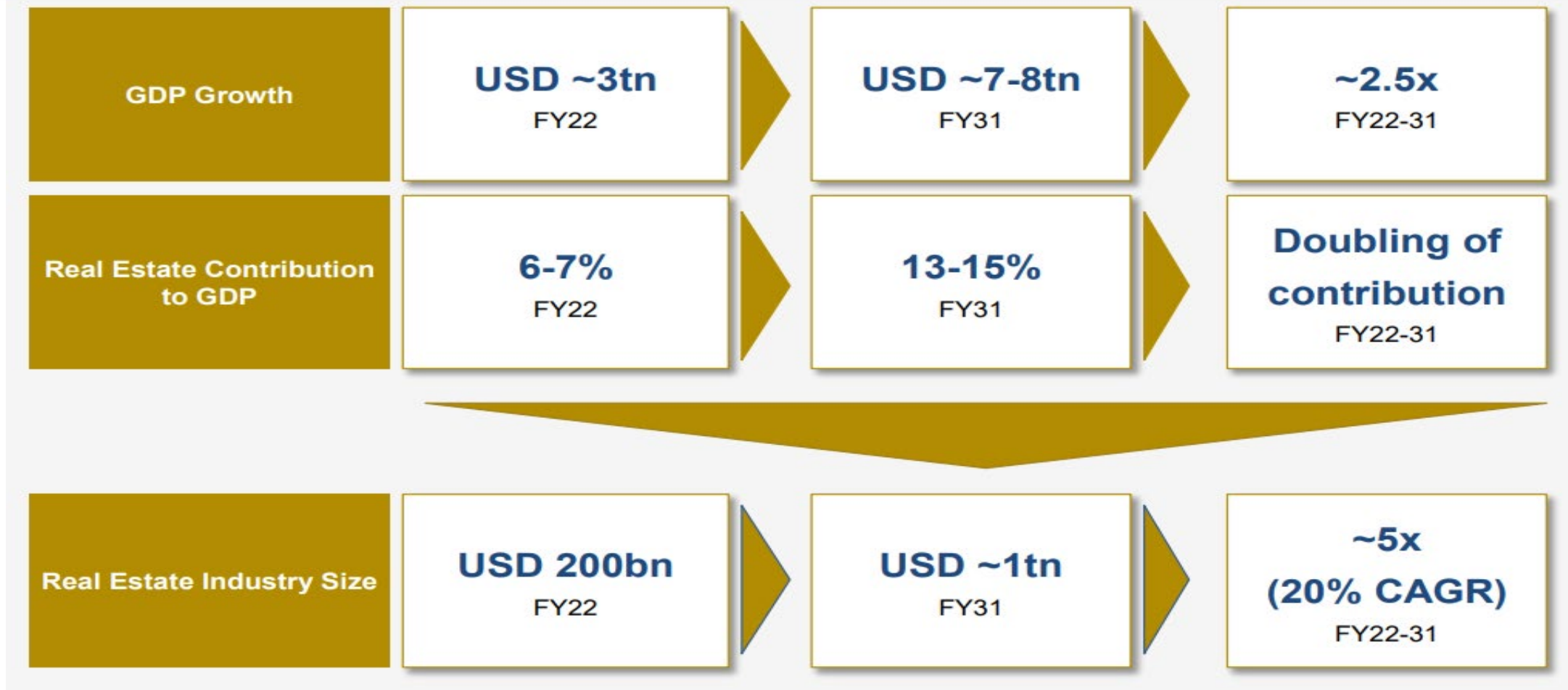
## CORPORATE CAPEX

(Set for an expansion spree)

- Many large corporates have set out a capacity expansion (including core sectors). Banks in better health now and capitalised to support credit growth in the economy
- Private sector deleveraging and improved asset quality of banks to support expansion plans.
- Intensity of corporate capex doubled in the range of Rs 24-26 trillion vis-à-vis five years ago.

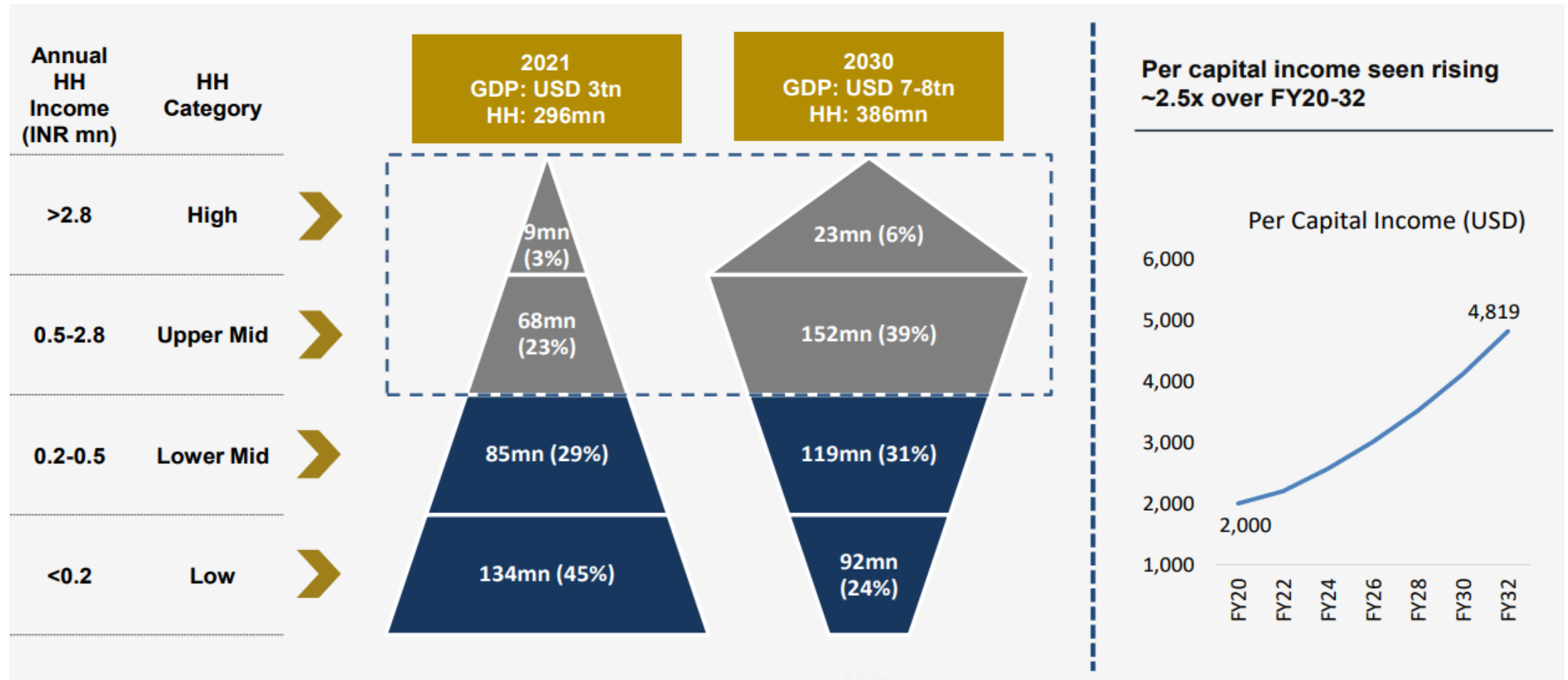
# Real Estate set to grow ~2x faster than Indian Economy

- Factors such as improving per capita income, rapid urbanization, family nuclearisation, increasing educated workforce every year and most importantly improving affordability ratio to support real estate growth.



Source: Macrotech Developers; Sharekhan Research

# Real Estate: Potential demand of 8-9 crore new houses over the next decade

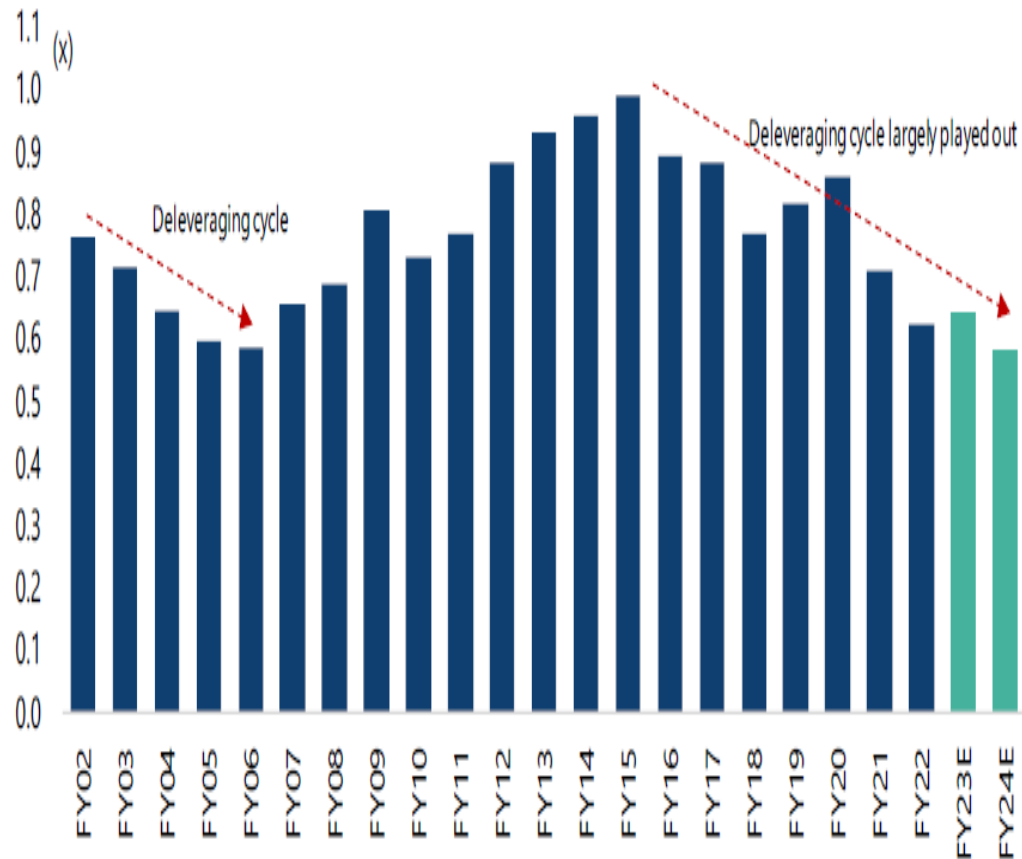


Source: Macrotech Developers; Sharekhan Research, HH - Households

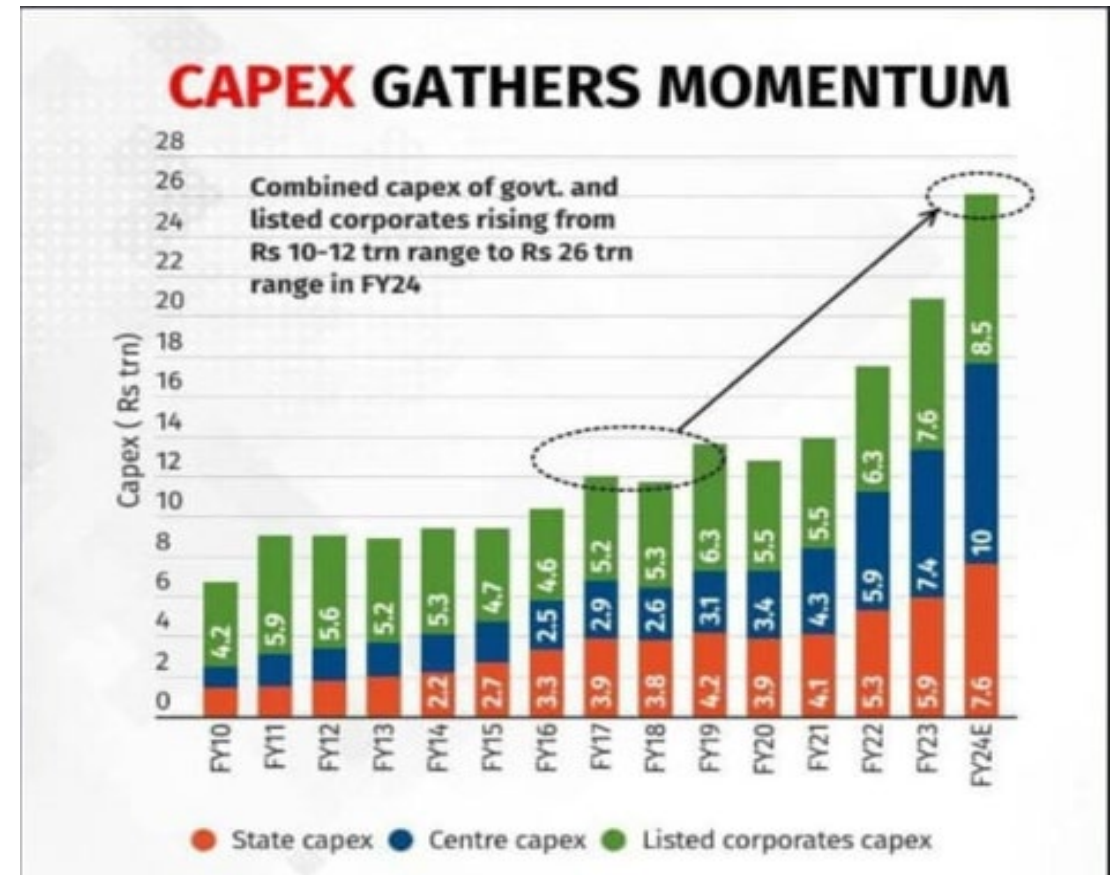


# Corporate Investment Cycle: On a Cusp of a Multi-year Upcycle

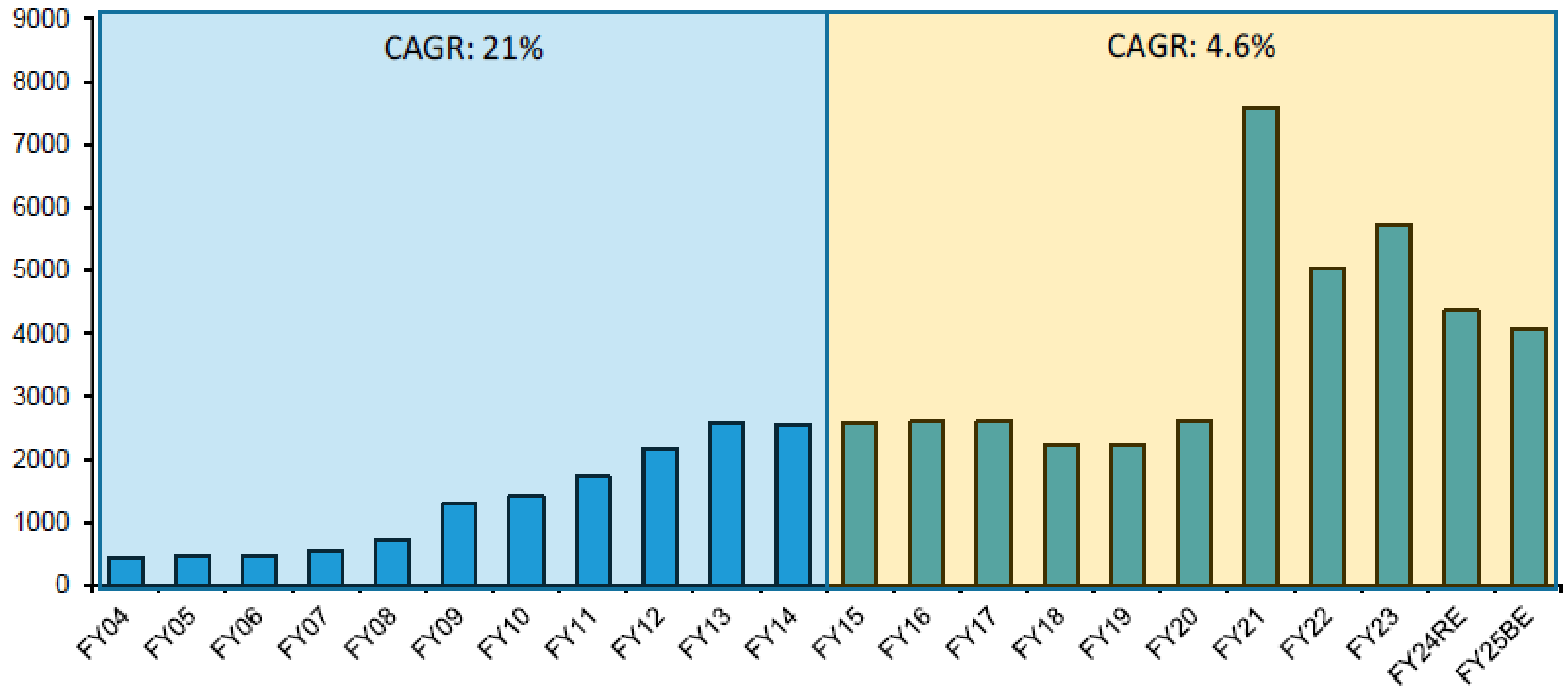
- Visible revival in private capex along with sustained pick up in govt capex bodes well. A record capex of Rs 26 lakh crore vis-à-vis Rs 10-12 lakh cr four years back will continue to foster momentum.
- Private sector deleveraging and bank balance sheet back in shape to support expansion plans



Source: Industry Reports, Sharekhan Research

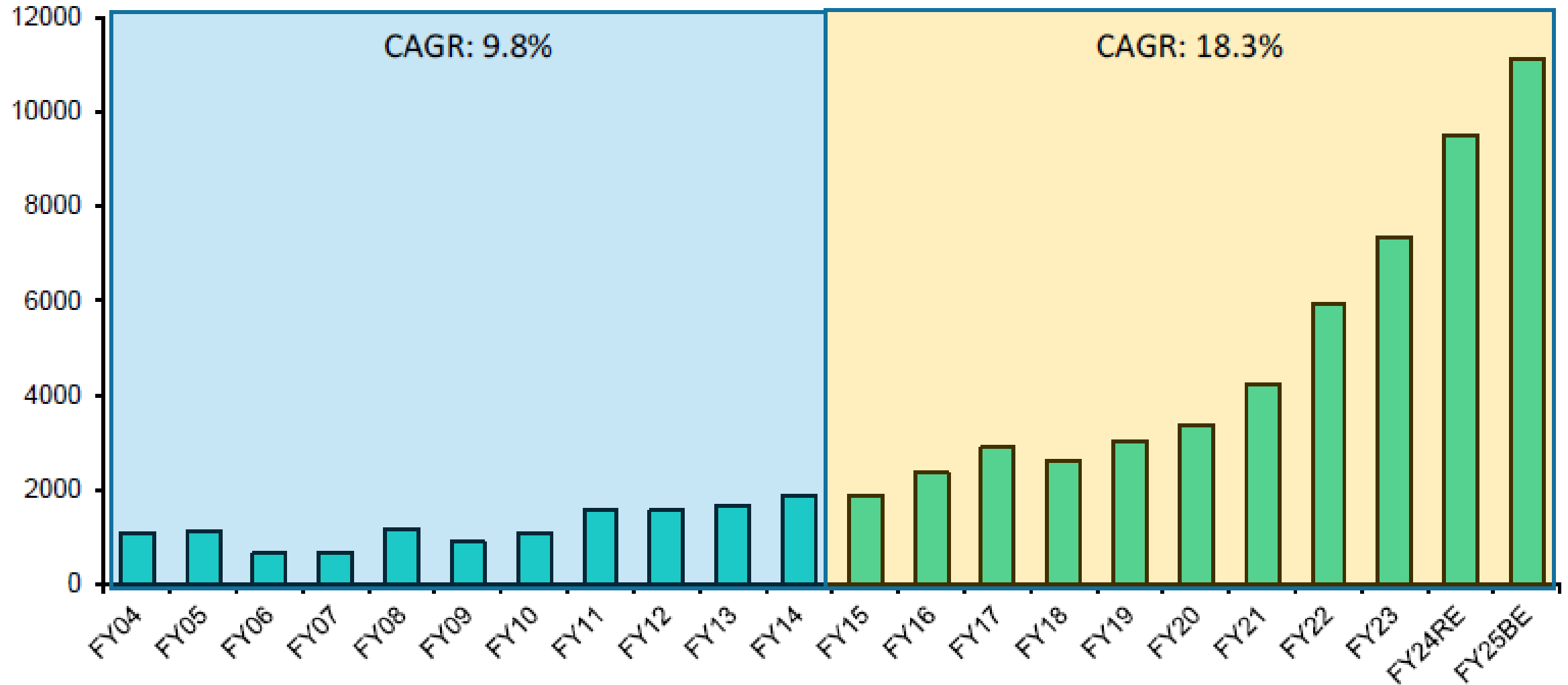


# Improving quality of Government Spending: Subsidy bill under control



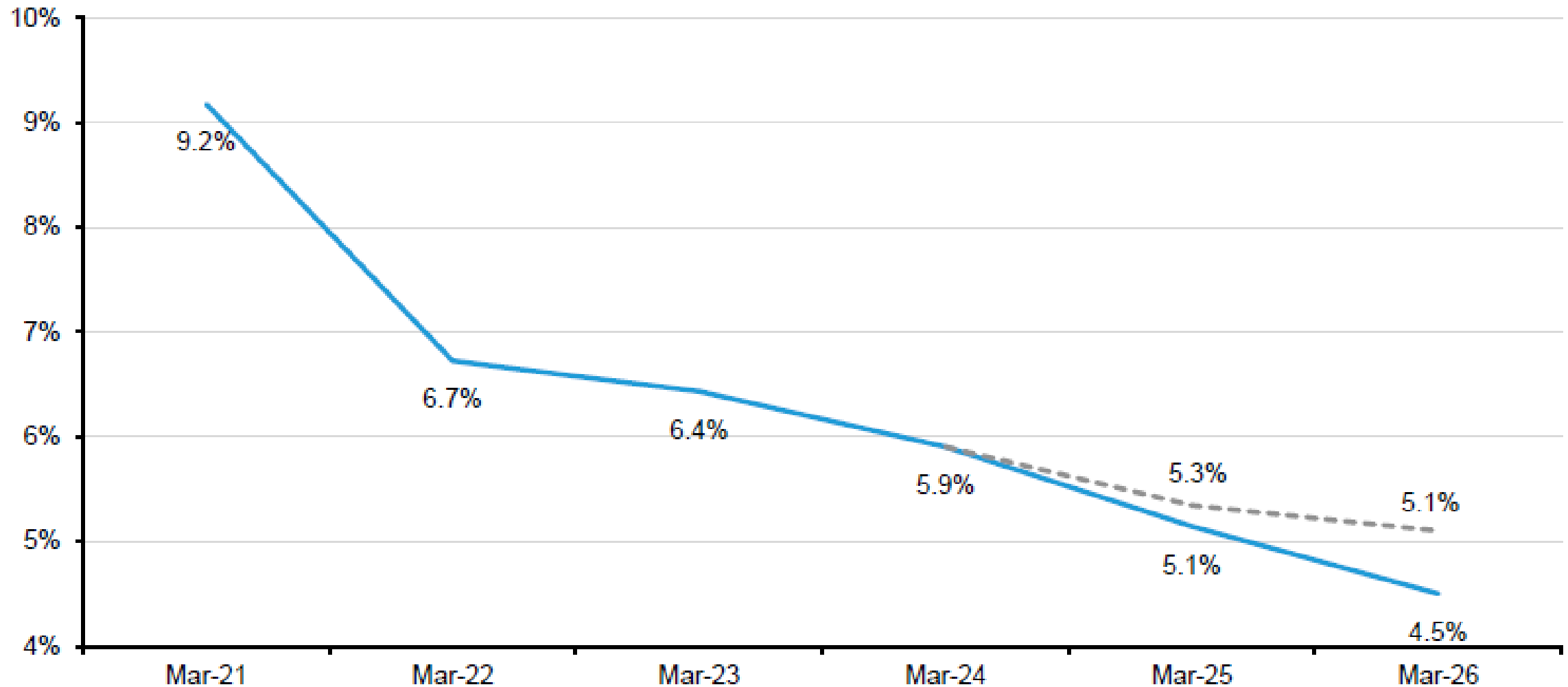
Source: Sharekhan Research

# Improving quality of Government Spending: Surge in capital allocation on infra



Source: Sharekhan Research

# Path towards fiscal consolidation



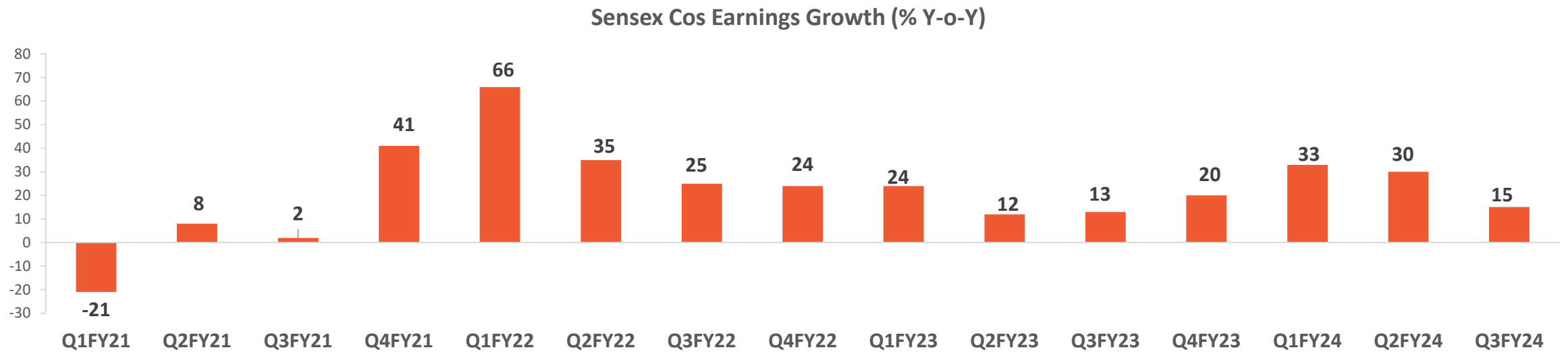
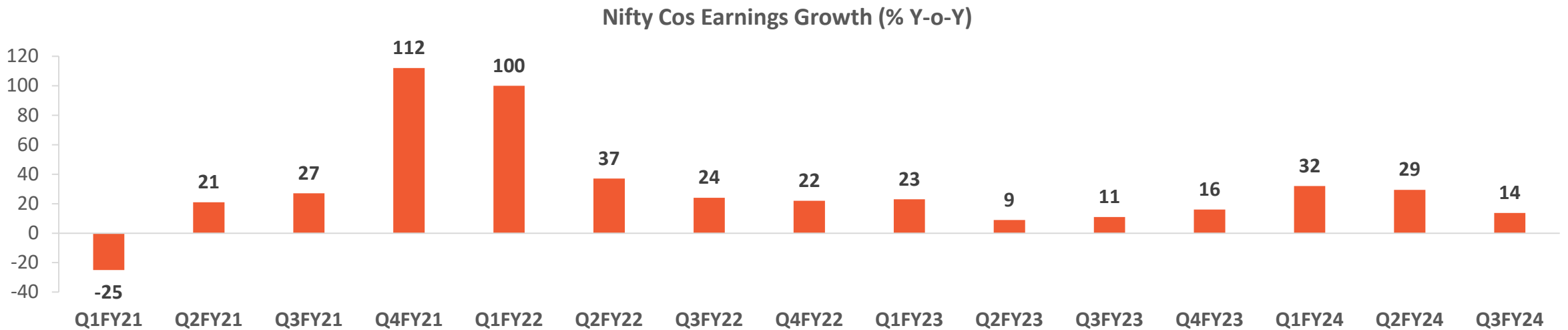
Source: Sharekhan Research



# Corporate Earnings

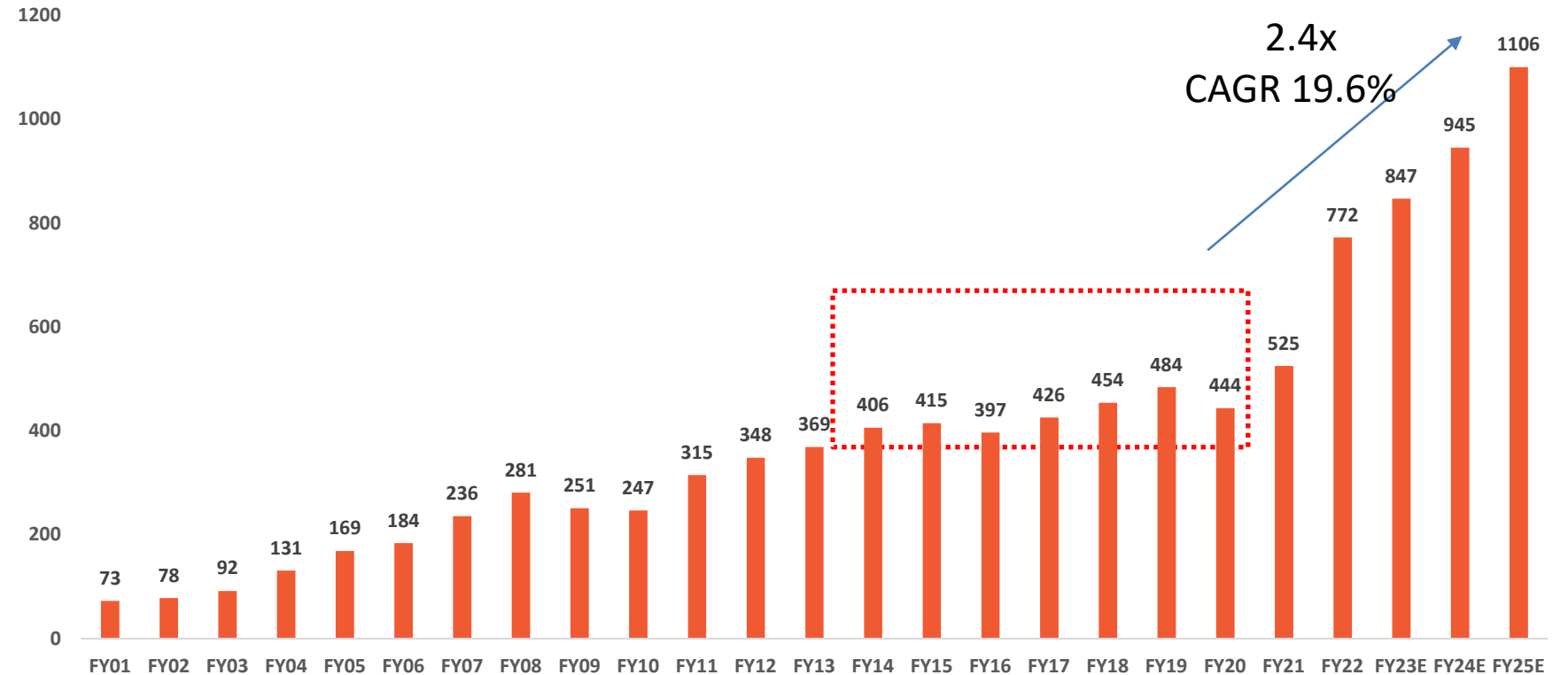
*Double-digit earnings despite rate hikes*

# Nifty & Sensex: Strong Earnings Growth for 14 Quarters Now!



# Corporate Earnings: Nifty EPS on a high growth trajectory

- **Nifty EPS:** Consensus estimates suggest 2.4x surge in Nifty EPS during FY2020 - FY2025 after a long period of muted growth in earnings of Nifty companies (FY2014-2020).



Source: Company; Sharekhan Research



# India Equity

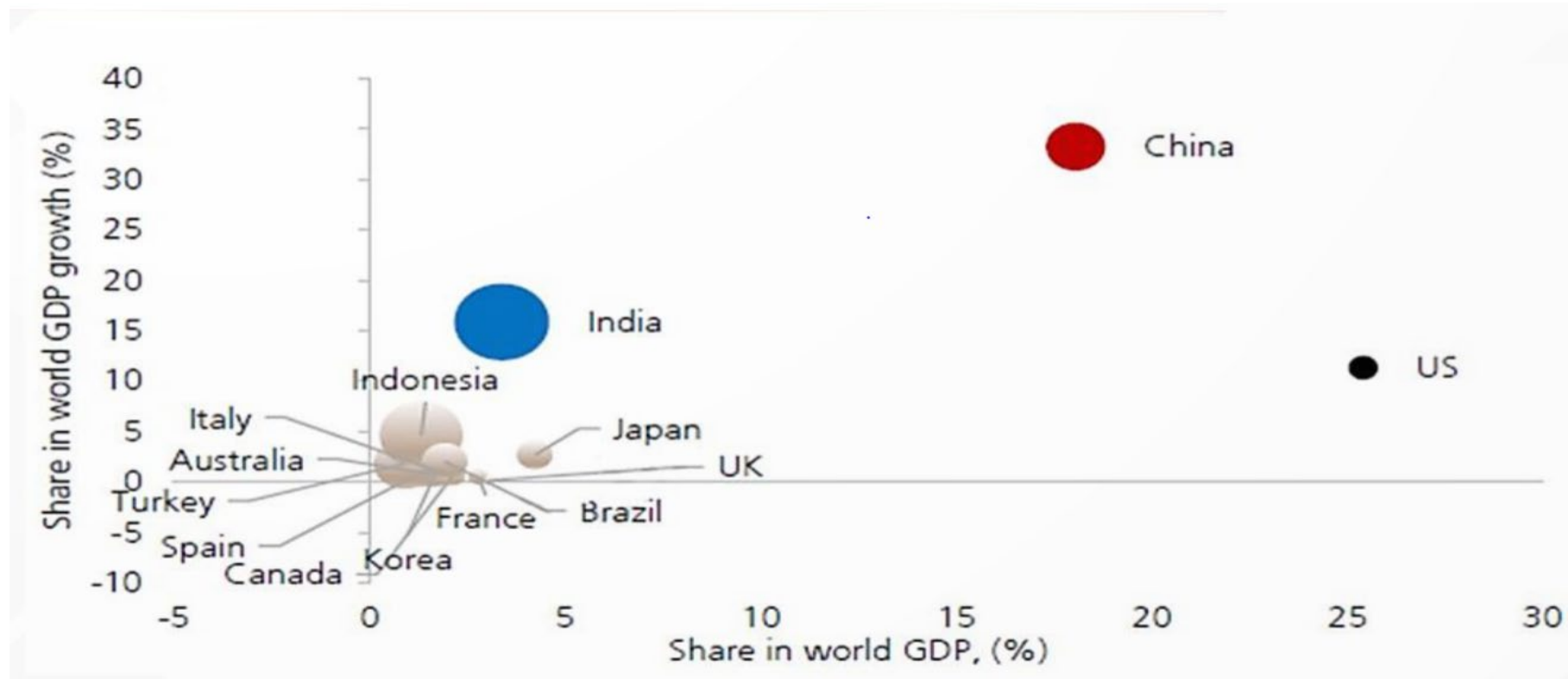
*Can't be ignored by serious investors anymore*



# India's share to world GDP growth at 15%: The second best and can not be ignored..

Various economic reforms resulting in India's healthy GDP growth made India to contribute 15% of global incremental GDP growth, which is the second best in the world.

This certainly augurs well for India in terms of attracting more FIIs flows.



Source: Industry Report, Sharekhan Research

# India is fueled with high power among emerging nations..

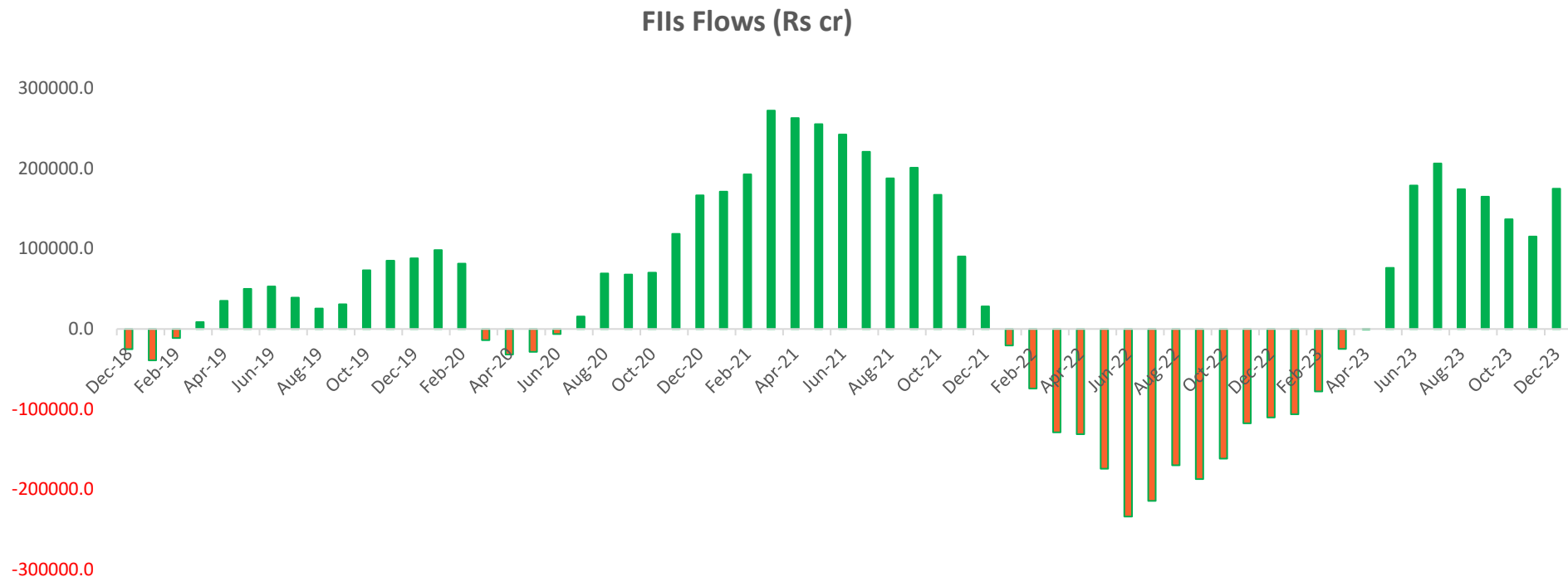
- India scores the best among key emerging nations based on October 2023 data. India scores better in most parameters vis-à-vis key emerging nations including China, Brazil, Indonesia, among others.

EM Countries	Composite Index Score, Oct-23	Real GDP Growth (YoY, in %)	PMI Manufacturing	Export Growth (YoY, in %)	CPI Inflation (YoY, in %)	Import Cover (No. of Months)	Exchange Rate Movement** (MoM, in %)
India	89	7.8	55.5	12.7	4.9	16.8	-0.2
Philippines	64	5.9	52.4	-6.3	4.9	9.3	0
Brazil	58	3.4	48.6	9.5	4.8	18.3	-2.3
China	56	4.9	49.5	-7.9	0.2	10.6	-0.1
Malaysia	45	3.3	46.8	-4.1	1.9	9.6	-1.4
Indonesia	44	4.9	51.5	-10.4	2.6	2.7	-2.5
Turkey	42	3.8	48.4	7.4	61.4	8.5	-3.1
Thailand	34	1.5	47.5	2.2	0.3	5.3	-1.7
Mexico	34	3.3	52.1	-5.1	4.3	7.3	-4.3

Source: Industry Report, Sharekhan Research

# FII Flows: Can be Volatile & Unpredictable but 12-month rolling trend is a good indicator

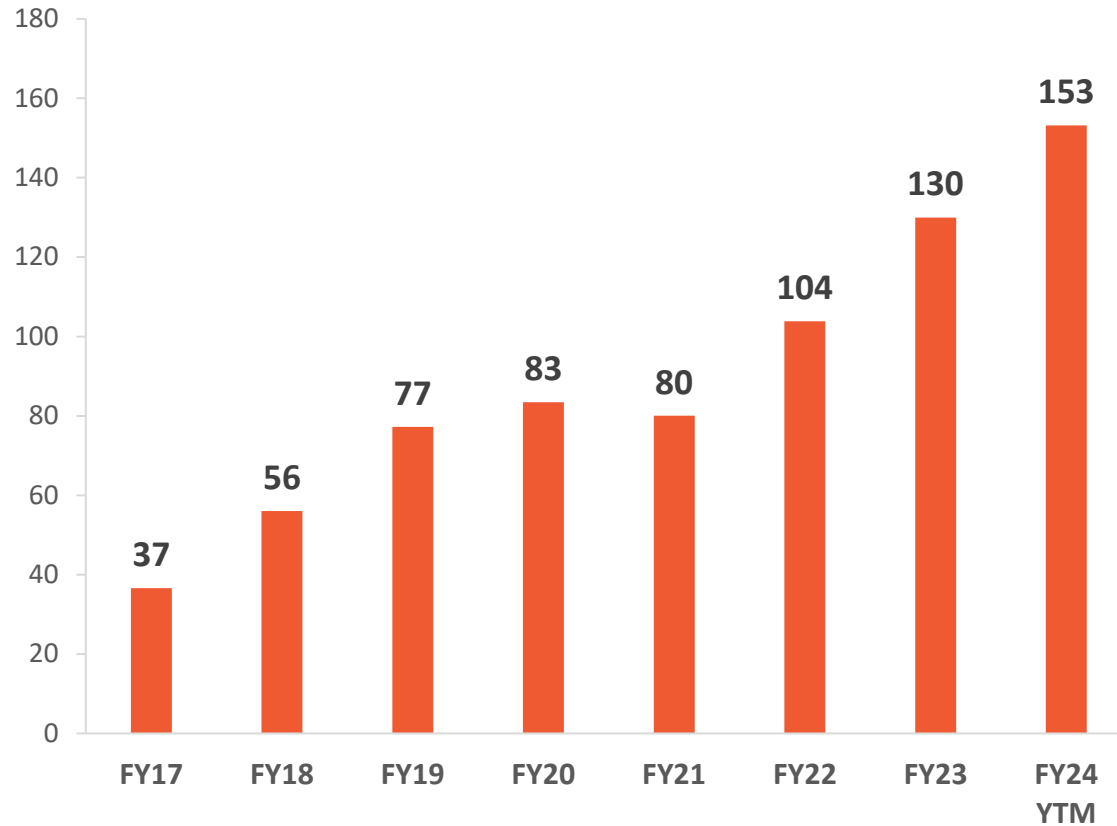
- Weekly or monthly trend in FII flows can be very volatile and unpredictable.
- However, on a 12-month rolling basis, FII flows into India has turned positive in May 2023 after a long gap since December 2021. This gives some sense of trend for the next couple of months.



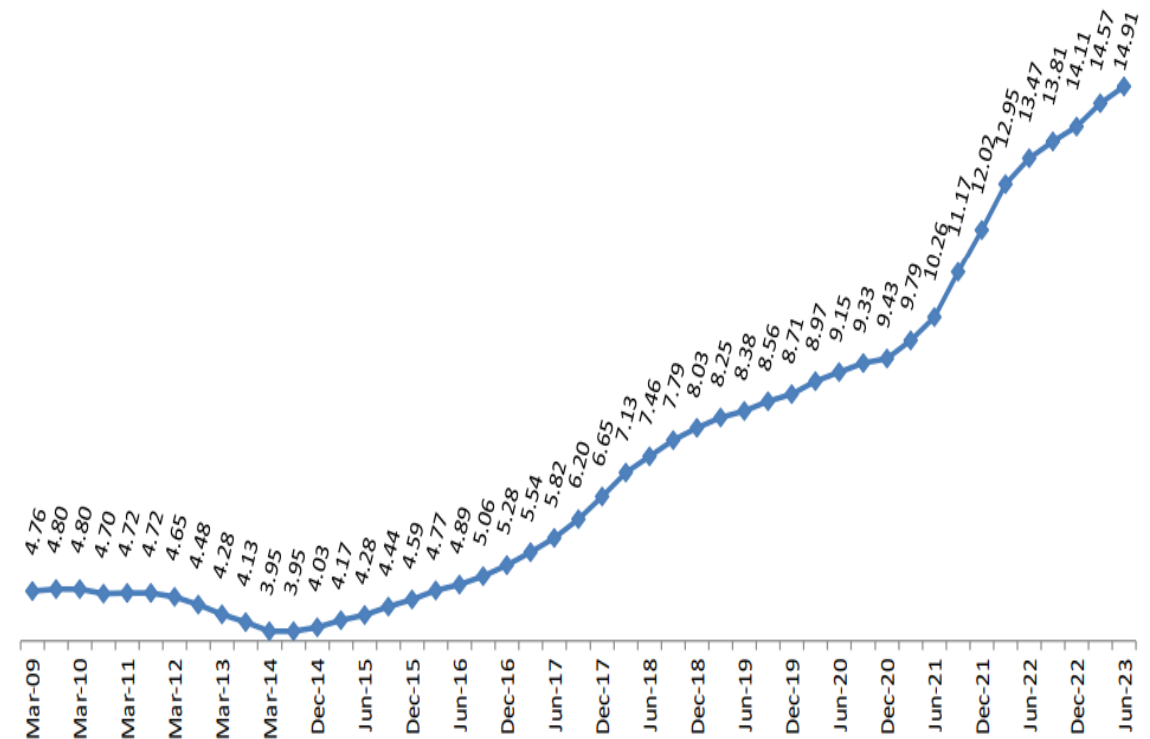
Source: Bloomberg, Sharekhan Research

# Domestic SIP inflows: Emerging as key Source of retail inflows in equities

Avg. Monthly SIP Flows (Rs bn)

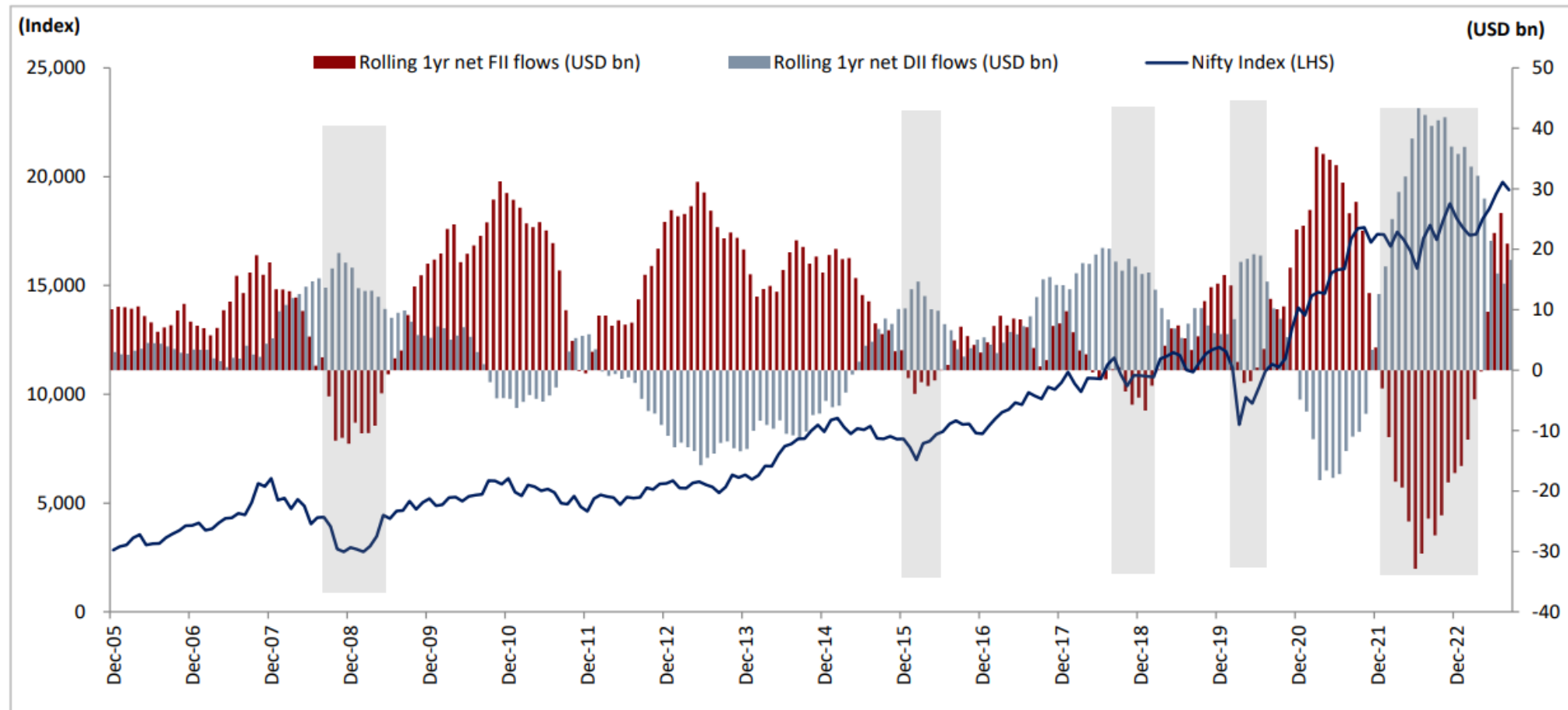


MF Industry witnessed more than 3.5x increase in no of folios since 2014 (in cr)



Source: AMFI, Sharekhan Research

# Resultantly domestic investors becoming more relevant in Indian markets.



Source: AMFI, Sharekhan Research

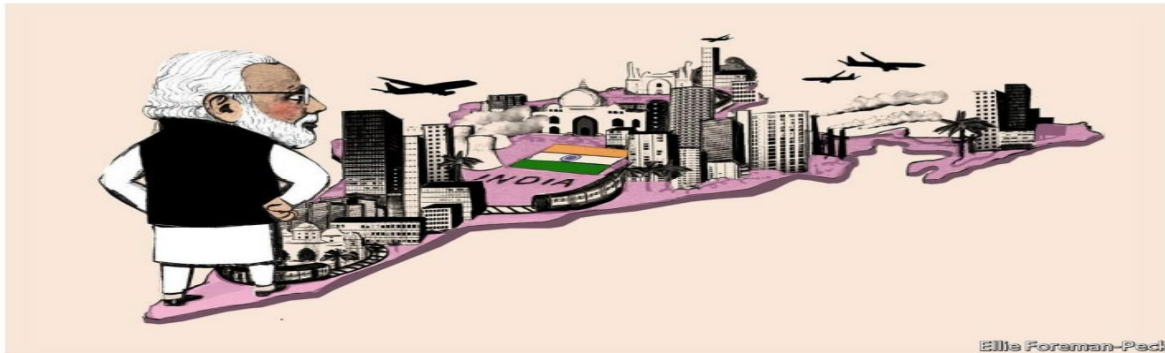
# India: Fastest growing large economy globally in CY2023/CY2024

(Real GDP, annual percent change)	2022	PROJECTIONS	
		2023	2024
<b>World Output</b>	<b>3.5</b>	<b>3.0</b>	<b>2.9</b>
<b>Advanced Economies</b>	<b>2.6</b>	<b>1.5</b>	<b>1.4</b>
United States	2.1	2.1	1.5
Euro Area	3.3	0.7	1.2
Germany	1.8	-0.5	0.9
France	2.5	1.0	1.3
Italy	3.7	0.7	0.7
Spain	5.8	2.5	1.7
Japan	1.0	2.0	1.0
United Kingdom	4.1	0.5	0.6
Canada	3.4	1.3	1.6
Other Advanced Economies	2.6	1.8	2.2
<b>Emerging Market and Developing Economies</b>	<b>4.1</b>	<b>4.0</b>	<b>4.0</b>
Emerging and Developing Asia	4.5	5.2	4.8
China	3.0	5.0	4.2
<b>India</b>	<b>7.2</b>	<b>6.3</b>	<b>6.3</b>
Emerging and Developing Europe	0.8	2.4	2.2
Russia	-2.1	2.2	1.1
Latin America and the Caribbean	4.1	2.3	2.3
Brazil	2.9	3.1	1.5
Mexico	3.9	3.2	2.1
Middle East and Central Asia	5.6	2.0	3.4
Morocco	1.3	2.4	3.6
Saudi Arabia	8.7	0.8	4.0
Sub-Saharan Africa	4.0	3.3	4.0
Nigeria	3.3	2.9	3.1
South Africa	1.9	0.9	1.8
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	4.0	4.0	3.9
Low-Income Developing Countries	5.2	4.0	5.1



# India Growth Story Acknowledged Globally now

## The Economist (May 5, 2022 Issue)



India is likely to be the world's fastest-growing big economy this year

## The Washington Post (Apr'23)

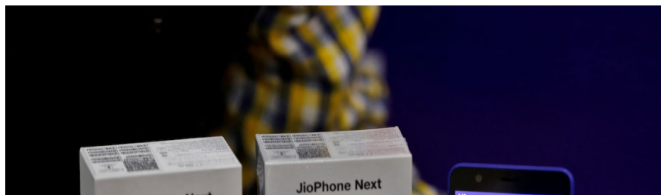
The Washington Post  
Democracy Dies in Darkness

**Opinion** | India's economy is surging thanks to these three revolutions



By Fareed Zakaria  
Columnist | + Follow

April 28, 2023 at 8:18 a.m. EDT



## S&C (July'23)



## Morgan Stanley- Asia Economics (Nov'22)

Morgan Stanley | RESEARCH

October 31, 2022 10:49 PM GMT

The New India | Asia Pacific

### Why This Is India's Decade

India has the conditions in place for an economic boom fueled by offshoring, investment in manufacturing, the energy transition, and the country's advanced digital infrastructure. These drivers will make it the world's third-largest economy and stock market before the end of the decade, we estimate.

BLUEPAPER

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## Jefferies – Greed & Fear Strategy

Jefferies

GREED & FEAR

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5 May 2022

### A hapless Powell and a resilient Modi

Delhi

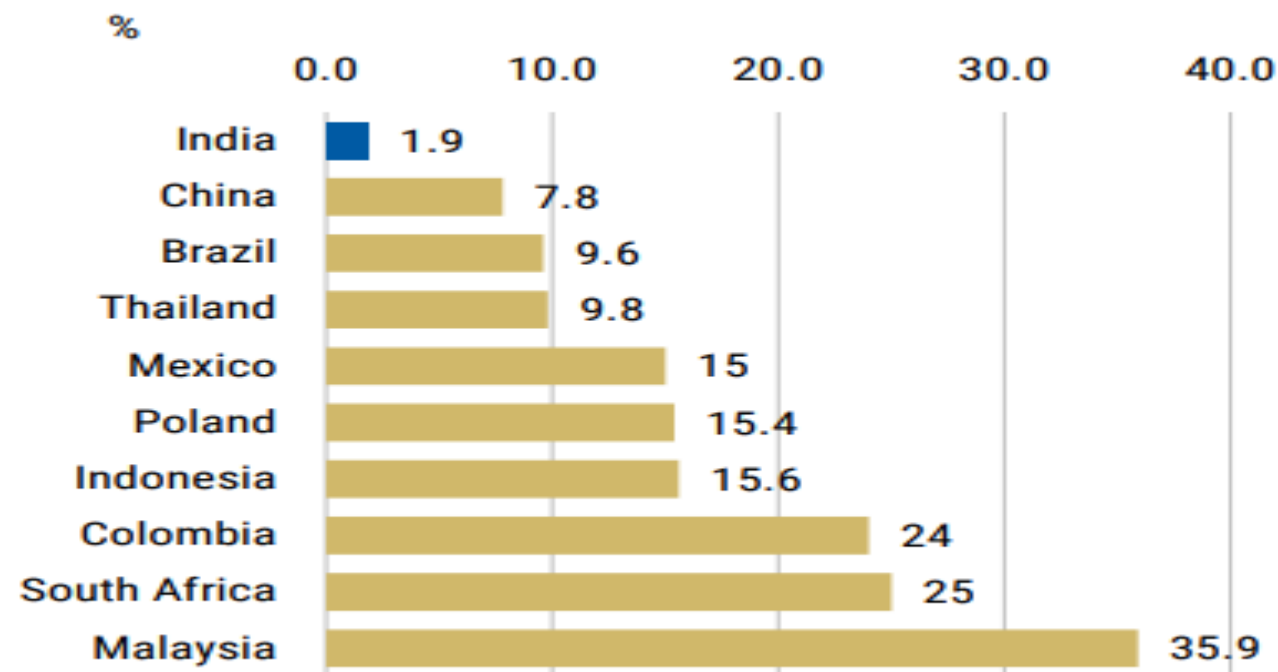
The reality of stagflation was the title of the most recent *Asia Maxima* (see [Asia Maxima 2022 – The reality of stagflation](#), 5 April 2022). That reality has certainly been confirmed by the latest US data both as regards inflation and wage growth. US headline PCE inflation rose from 6.3% YoY in February to 6.6% YoY in March, the highest level since January 1982. While core PCE inflation was 5.2% YoY in March, though down marginally from 5.3% YoY in February, the highest level since April 1983 (see Exhibit 1). As for wage growth, the US employment cost index (ECI) rose by 1.4% QoQ and 4.5% YoY in 1Q22, the highest growth since the data series began in 2001, while the sub-index for private sector wages and salaries rose by a record 5.0% YoY in both 4Q21 and 1Q22 (see Exhibit 2).

# Bond's inclusion in GBI-EM to ensure whopping inflows of US\$ 25-30 bn

India is to join the index with 1% in June 2024. The weight will increase by 1% each month until 10% in April 2025. India will be the second biggest EM country in the index, after China.

**Notably, this is likely to ensure India to see foreign inflows (into debt) in the range of \$25-30 billion. This will result in a stable rupee and low cost of fundings for India.**

**India has the lowest foreign ownership of government bonds among major EM countries**

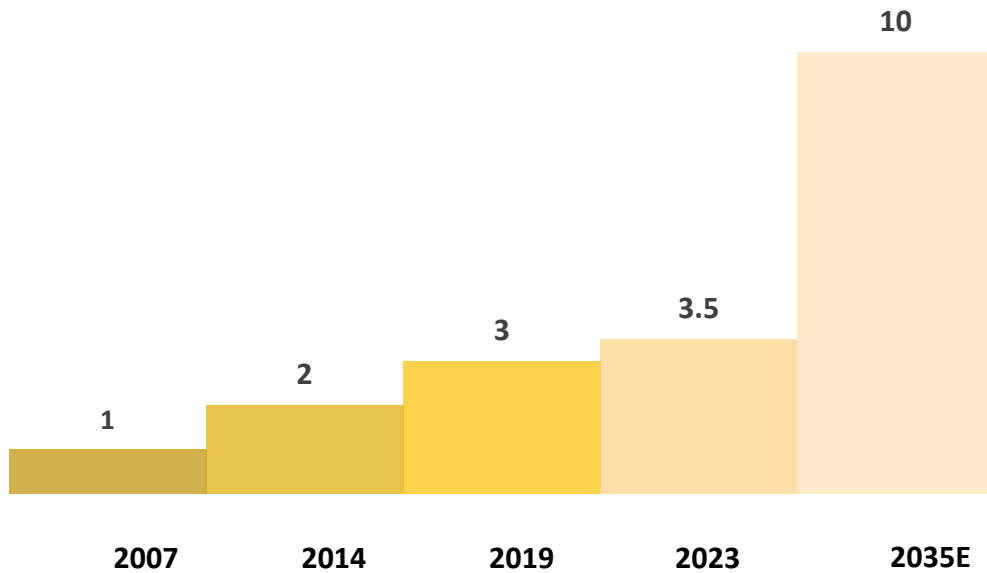


Source: Industry Report

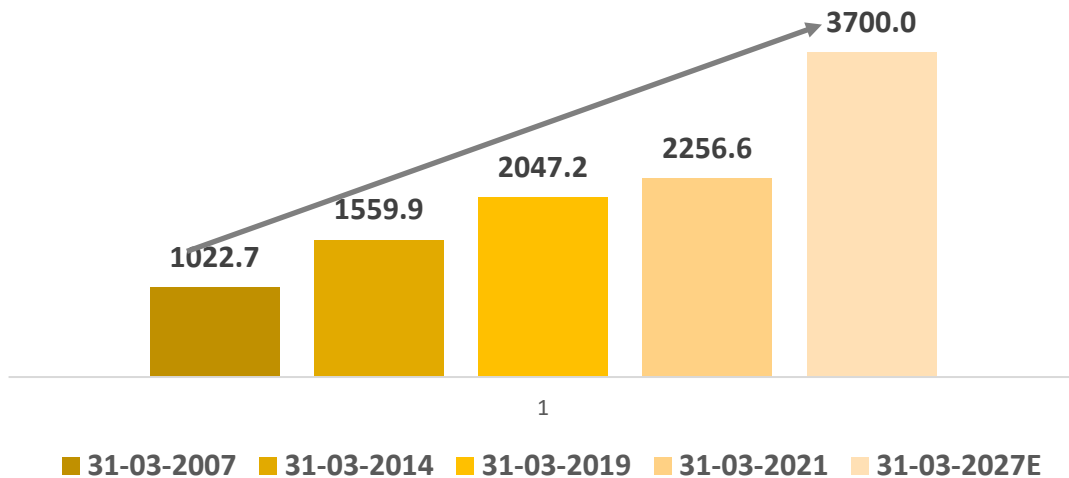


# India's Towards \$10 Trillion Economy

India GDP's In \$ tn



Per capita in \$



- It took India 60 years since Independence to become one trillion-dollar economy, but the next trillion dollars was added only in 7 years. The 3rd trillion was added in just 5 years in 2019.
- According to the report of the Centre for Economics and Business Research (CEBR), **India will become a \$10-trillion economy by 2035.**

## Amrit Kaal: Envisioning India @2047

Range Of GDP	Years To Reach	Touched Trillion \$ In
To \$1 Tn	60 Years	2007
From \$1 Tn to \$2 Tn	7 Years	2014
From \$2 Tn to \$3 Tn	5 Years	2019
From \$3 Tn to \$4 Tn	Touched \$3.75tn in 4 years	?



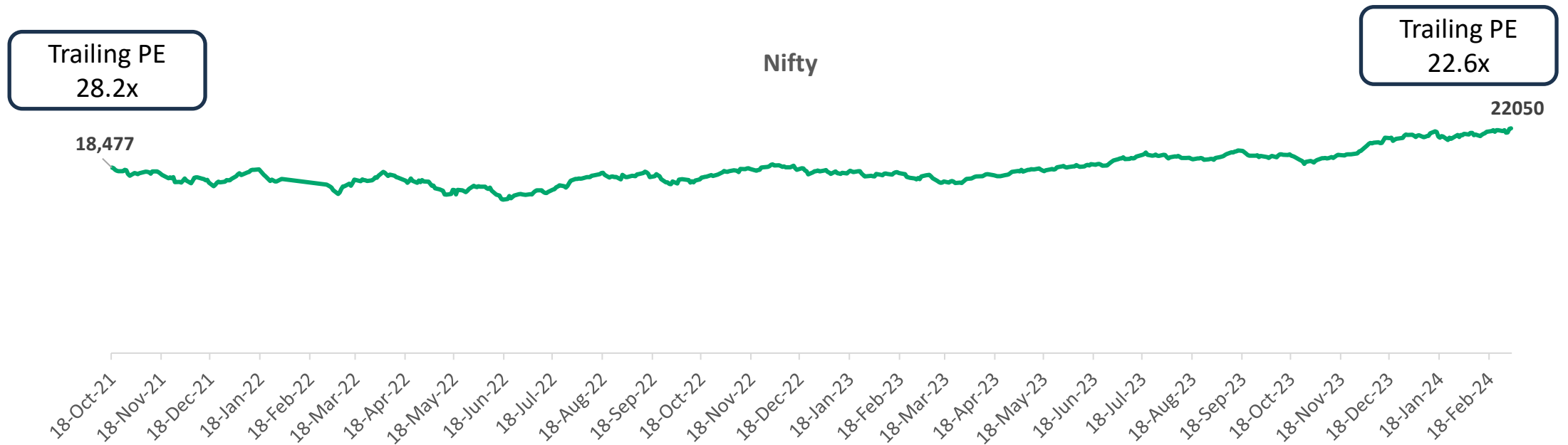
# Valuation

*Markets saw sharp upmove in FY24 YTD, but valuations still does not look to be out the whack*

# Nifty witnessed sharp upmove in FY24 so far, but valuations nowhere close to all-time high

	Oct-21	Feb-24	
Nifty EPS	582	950	↑
GST Collections (Rs. bn)	1300	1680	↑
Credit Growth (%)	6.3	15.5	↑
Manufacturing PMI	55.9	56.5	↑
Services PMI	58.4	61.0	↑

	Oct-21	Feb-24	
CPI (%)	4.48	5.10	↑
WPI (%)	13.83	0.27	↓
10-year G-Sec Yields (%)	6.4	7.05	↑
Brent Crude (\$/bbl)	84.4	82.0	↓
Fiscal Deficit (%)	6.4	5.8	↓

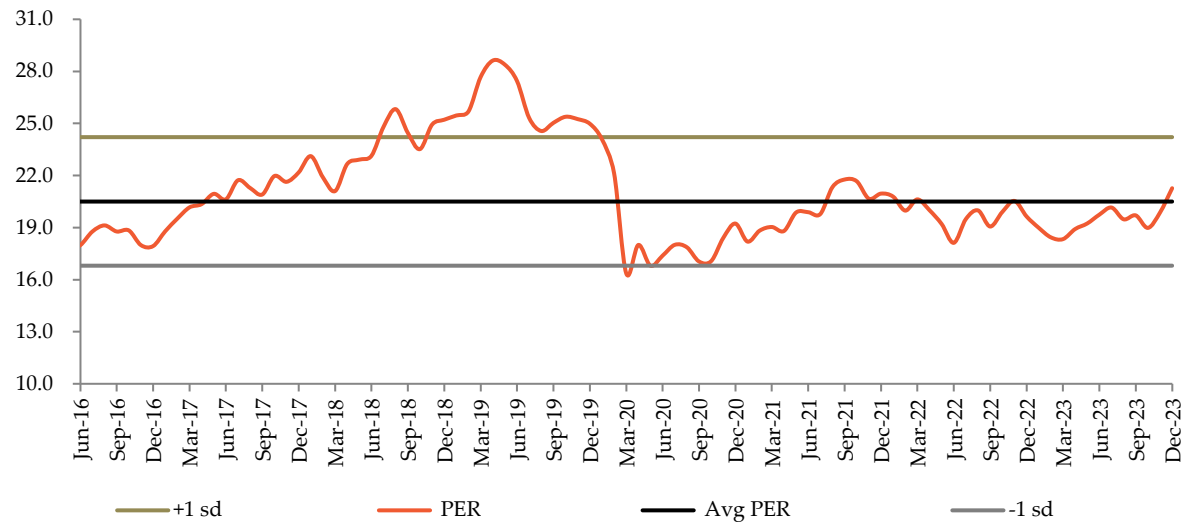


Source: Bloomberg, Sharekhan Research

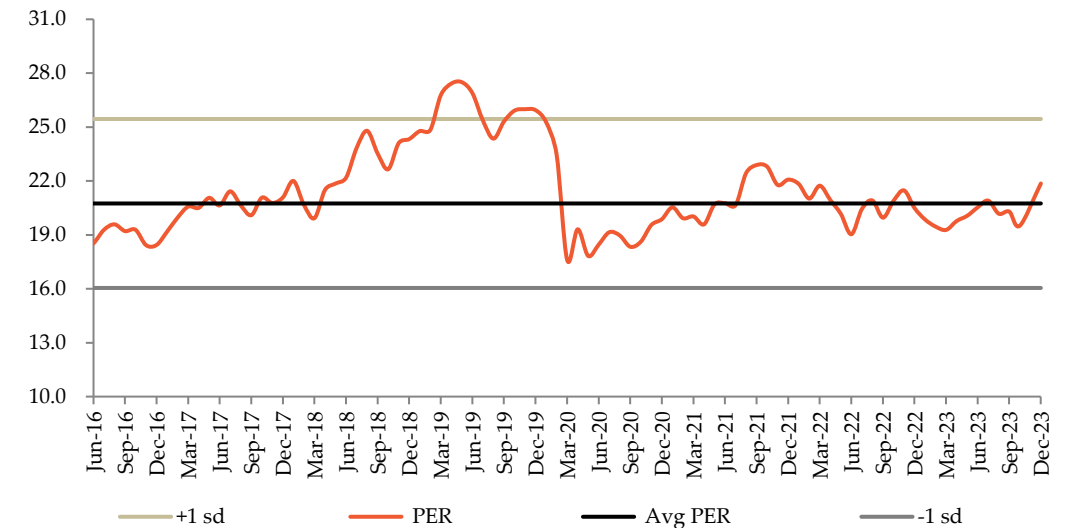
# Valuation: Not cheap anymore; sound earnings outlook to aid premium valuations

- Nifty trades at 22.9x and 20.1x of FY24E and FY25E earnings, respectively, which is a modest premium vis-a-vis long-term average multiples.

One-year forward PE chart of Nifty



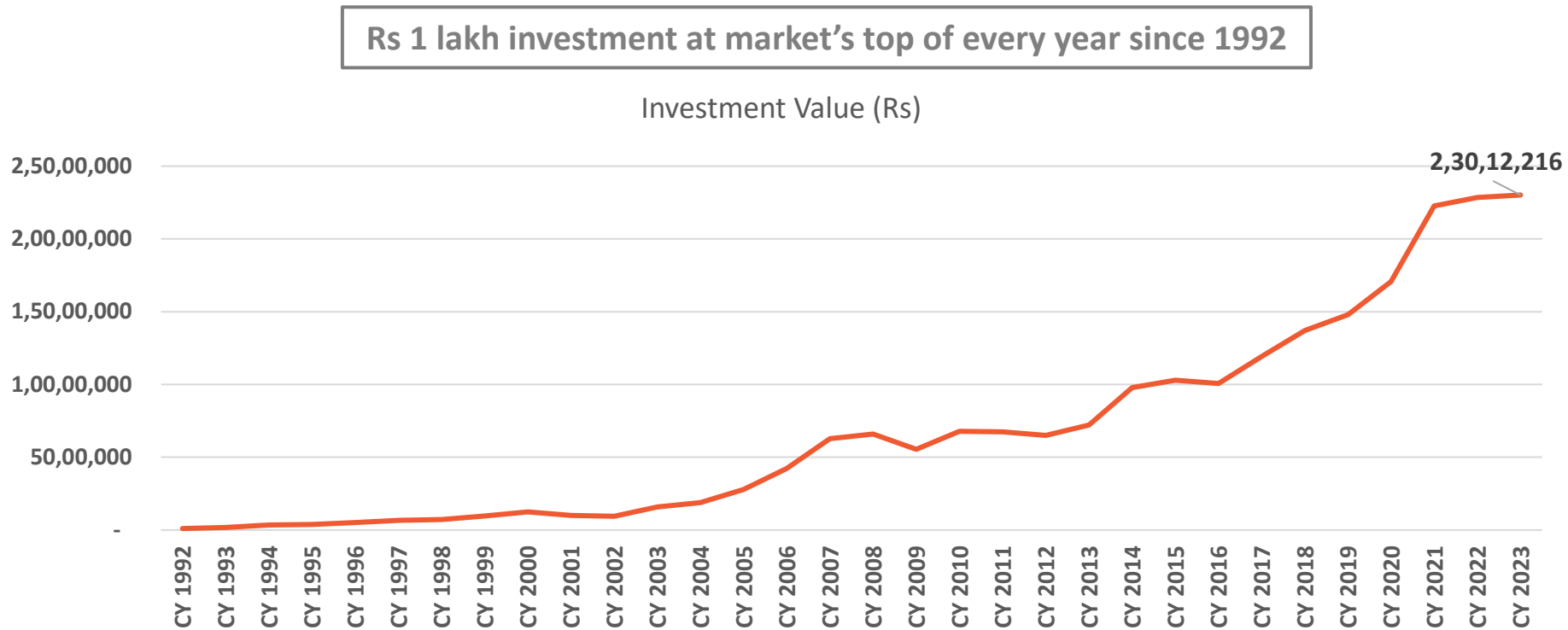
One-year forward PE chart of Sensex



Source: Bloomberg; Sharekhan Research

## Disciplined investment pays off irrespective of market levels..

- Our analysis shows that if an unfortunate investor had invested **Rs 1 Lakh every year since 1992** at the Sensex's highest level in that year, her investment would have become **Rs 2.3 crore** -- reflecting a **CAGR return of little over 11%**.
- It is important to invest in disciplined manner rather than try and time the markets.



Source: Sharekhan Research

# Big Opportunity: Multi-year economic upcycle in India



- Despite the jitters in March 2024, the Indian equity market bounced back smartly in April 2024. The resilience of the economy, recovery in global markets and the steady domestic inflows have aided the sentiments in markets.
- The quarterly results season has started on a mixed note. IT services companies have disappointed but some of the banks have done quite well along with companies in core sectors like cement, automobiles and building materials.
- It is early days for the general elections. However, the initial two phases have shown a decline in voter turnout across regions. There is uncertainty on the consequences of the same with both major alliances claiming the trend to be in their favour. However, the likelihood of NDA alliance coming back to power is still quite high and the policy framework is likely to continue for next five years. Hence, investors should latch on to any volatility post elections resulting from a lower-than-expected tally for the ruling party.
- More important, investors should focus on the **BIG PICTURE** of multi-year growth upcycle in the Indian economy & corporate earnings. Stay invested in the right quality of stocks and do not miss out the opportunity to make handsome returns over the next 2-5 years. In the near term, the beginning of the rate cut cycle in the US and India is a key potential trigger for markets.
- It is time spend in the market that is important than timing the market.

# DEBT/ FIXED INCOME UPDATE & OUTLOOK

# RBI monetary policy: Focus to align inflation to the target on duration basis

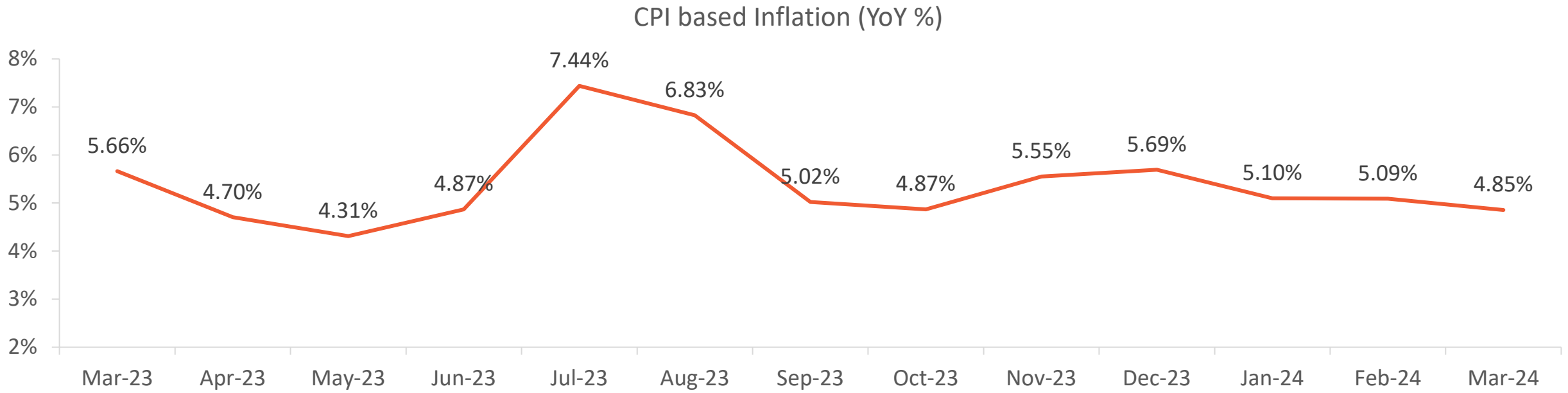
The RBI's MPC kept the repo rates unchanged at 6.5% and this is the 7th consecutive meeting with rate unchanged. The Governor reiterated the RBI's commitment to achieving a durable headline inflation with the 4% target. As inflation remains sticky, the RBI's decision to maintain status quo on policy rates was on expected lines.

## Key Highlights

- The MPC kept the policy repo rate unchanged at 6.50% for the seventh consecutive meeting. Consequently, the Standing Deposit Facility (SDF) rate remains unchanged at 6.25% and the Marginal Standing Facility (MSF) rate and Bank Rate at 6.75%.
- The MPC also decided by a majority of 5 out of 6 members to remain focused on the withdrawal of accommodation to ensure that inflation progressively aligns to the target, while supporting growth.
- The RBI remained confident on domestic growth and kept growth projections at 7% for FY25. The quarterly projections for Q1FY25 revised downward to 7.1% from 7.2% and revised upward the Q2 projections to 6.9% from 6.8% and Q4 projections to 7% from 6.9%, while maintaining the Q3 projections at 7%.
- The headline inflation has eased significantly in the recent months but remains above the 4% target. The volatility in food prices remains a key risk to align headline inflation with the 4% target. However, a record rabi wheat production and early indication of a normal monsoon has improved food inflation outlook.
- The RBI has maintained inflation projections for FY25 at 4.5% and revised downward the projections for Q1 at 4.9% from 5%, Q2 at 3.8% from 4% and Q4 at 4.5% from 4.7%, while maintaining Q3 projections at 4.6%.



# Consumer Price Index (CPI) Inflation



The CPI inflation eased sharply to 4.85% in March 2024 from 5.09% in the previous month, making it seven consecutive month with CPI inflation hovering below the RBI's upper band tolerance level. Except the food prices, there was broad based moderation across major categories.

- Food & Beverages, which have the highest weight of 54.2% in CPI eased marginally to 7.68% in Mar-24 as compared to 7.76% in the previous month. Double-digit inflationary trend continues in pulses (18%) and spices (11.4%). The inflation in vegetables continued to hover in double digits, with growth rates of 28.34%. The ongoing contraction in the oil and fats category provided a measure relief to the overall food inflation.
- Core inflation stayed below the RBI's target level of 4% for four consecutive months. The deflation in fuel and light category continued for the sixth consecutive month with a contraction of -3.24% in Mar-2024 and provided some relief in moderating inflationary pressures.

# Index of Industrial Production (IIP)

The growth in IIP output accelerated to a four-month high of 5.7% in Feb-24 as compared to growth of 4.1% in the previous month on the back of a favorable base effect. There is broad-based improvement in all the categories due to favorable base effect.

- **Mining:-** The mining activity accelerated to four month high of 8% in Feb-24 as compared to 5.9% growth in previous month and growth of 4.8% in Feb-23.
- **Manufacturing:-** It has the highest weightage of (77.6%) in the IIP. Activity grew by 5% in Feb-24 as compared to 3.6% in the previous month. among the major manufacturing items, the “Manufacture of basic metals” who has weight of 12.8% grew by 8.8% and “Manufacture of coke and refined petroleum products” who has weight of 11.77% grew by 4.9%. these two are the major contributors to the IIP growth index. Out of total 23 industries, only 4 have recorded negative growth and others are in double digit or positive growth.
- **Electricity:-** Output accelerated to four month high of 7.5% in Feb-24 as compared to growth of 5.6% in the previous month and 1.2% in the month of Dec-23.

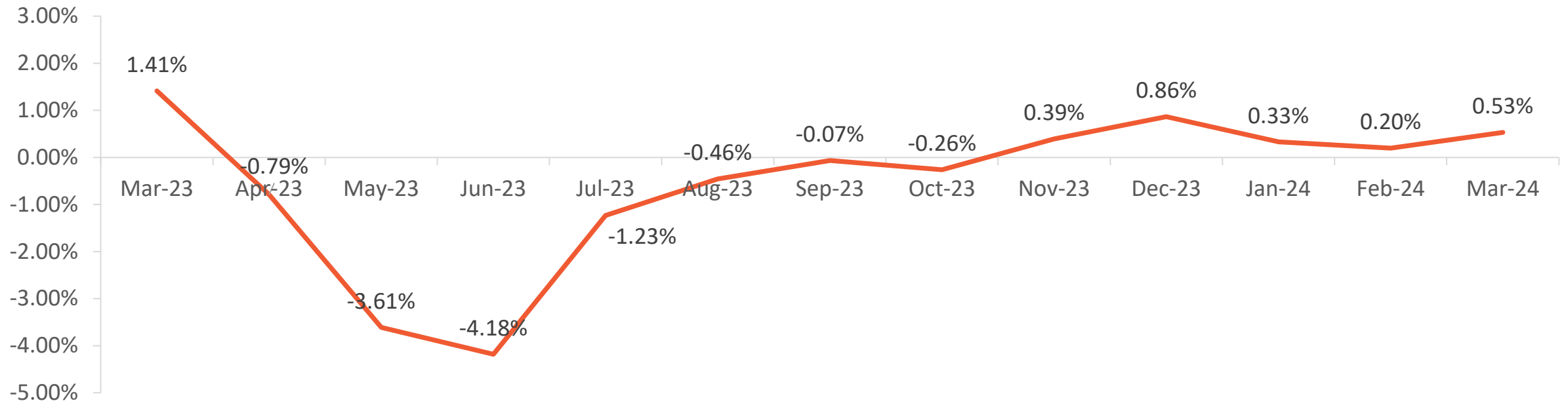
GROWTH IN SECTORAL			
	Dec-23	Jan-24	Feb-24
MINING	5.2%	5.9%	8.0%
MANUFACTURING	4.5%	3.6%	5.0%
ELECTRICITY	1.2%	5.6%	7.5%
GENERAL	4.2%	4.1%	5.7%
GROWTH IN USE-BASED CLASSIFICATION			
PRIMARY GOODS	4.8%	2.9%	5.9%
CAPITAL GOODS	3.6%	3.4%	1.2%
INTERMEDIATE GOODS	3.9%	5.3%	9.5%
INFRASTRUCTURE/ CONSTRUCTION GOODS	5.1%	5.5%	8.5%
CONSUMER DURABLES	5.3%	11.9%	12.3%
CONSUMER NON-DURABLES	2.4%	-0.2%	-3.8%

Source: MOSPI, Sharekhan Research

Durable and broad-based improvement in consumption sectors remain crucial for industrial activity. As the retail inflation is moderating and expectation of a normal monsoon this should get reflected in an improvement in consumption.

# Wholesale Price Index (WPI) Inflation

WPI Inflation (YoY %)



The WPI inflation grew by 0.53% in Mar-24 as compared to a growth of 0.20% in the previous month and this is the fifth consecutive month with positive trend.

- The Inflation in primary articles which has the weight of 22.6% in the WPI remain stable at 4.5% in Mar-24 compared to previous month as the food articles who has the highest weight remain stable at 7%.
- The food inflation remain stable at 7% in Mar-24 and it is in this range for the past three months. There is a significant spike in onion at 56.99% and potato at 52.96% prices. All the other categories remain stable.
- Inflation in fuel & power and manufactured products is in contraction for more than 10 months but the pace of contraction is reducing for these categories.

## **Liquidity: The RBI will remain nimble and flexible in its liquidity management**

- Weighted average call rate has softened and remained close to the repo rate due to improved banking system liquidity.
- Banking system liquidity improved during April 2024 as compared to a deficit in the previous month, aided by the RBI's various measures. System liquidity improved to Rs. 0.38 lakh crore on April 19, 2024 as compared to the average of Rs.-0.3 lakh crore in March 2024. System liquidity average for April 1-19, 2024 is at Rs. 1 lakh crore, which has improved as compared to the previous month's deficit.

## **Bond prices & other updates**

- The new 10-year 7.26% 2033 G-Sec yield settled at 7.25% on April 22, 2024 as compared to average yield of 7.09% in the previous month. The domestic yields are largely following global clues as the sticky inflation and strong economic data kept the US yields at elevated level.
- The MPC kept the repo rate unchanged at 6.50% for the seventh consecutive meeting. The RBI remained confident on domestic growth and kept the growth projection at 7% for FY25. The quarterly projections revised upward for Q2 and Q4 at 6.9% and 7% respectively.
- The RBI has maintained its inflation projections for FY25 at 4.5% and revised downward the projections for Q1 at 4.9% from 5%, Q2 at 3.8% from 4% and Q4 at 4.5% from 4.7% while maintaining Q3 projections at 4.6%.
- Core inflation is trending below the RBI target level of 4% for four consecutive months and CPI inflation eased to 4.85% in March 2024, making it seven consecutive months where the number has been below the RBI's upper band tolerance level. The RBI governor has been highlighting the aim of getting inflation to the target level of 4% on a durable basis.

# Debt Market Outlook

The yield would ease from this level due to inclusion in JP Morgan index and fiscal consolidation

- CPI inflation eased to 4.85% in March 2024 and going ahead the inflationary pressure to ease on the back of a favourable base effect. the government supply side intervention would help to mitigate potential upward price pressure. However, the geopolitical tension could pose a upside risk to this outlook.
- As expected, the RBI kept the policy repo rate unchanged at 6.5% and remained confident on domestic growth. The RBI maintained its inflation projections for FY25 at 4.5% and highlighted the aim of getting inflation to the target level of 4% on a durable basis.
- Sticky inflation and strong economic data kept the US yields at elevated level and the domestic yields are also following the global path. The CPI inflation is easing but still trending above the target level of 4% and growth remains robust, this could also be the reason for elevated yields.
- Bond yields could ease from current level in medium to long term due to inclusion in JP Morgan bond index as the demand for G-sec could help to ease the yields. The fiscal consolidation in the interim budget is also likely to provide further support to bond market.

## Investment Strategy

- For the medium to long term, we have been advising to increase exposure to duration funds (5-10 years modified duration) including gilt funds. We are close to peak of interest rate upcycle and the bond yield could ease from this level due to inclusion in the JP Morgan Bond Index and fiscal consolidation in the interim budget. This would provide decent returns in the duration funds.

# Gilt Funds

Gilt Schemes	AUM (In Crs)	YTM Mar-24 (%)	Macaulay Duration (Years)	Performance			
				6 Months	1 Year	2 Years	3 Years
Bandhan Government Securities Fund Investment Plan - Reg - Growth	1,661	7.2	12.02	5.7	6.7	5.8	4.8
Kotak Gilt Fund - Growth	2,932	7.4	9.11	3.9	6.1	6	4.8
Aditya Birla Sun Life GSec Fund - Reg - Growth	1,369	7.2	8.71	4.8	6.6	5.8	4.9
ICICI Prudential Long Term Bond Fund - Growth	807	7.5	7.37	5.3	6.9	6.5	4.2
(Performance as on 22 Apr 2024)							

# MUTUAL FUND MODEL PORTFOLIOS

# MUTUAL FUND MODEL PORTFOLIOS | AGGRESSIVE PORTFOLIO

AMC	SCHEME NAME
LARGE CAP	
Kotak	Kotak Bluechip Fund
ICICI	ICICI Prudential Bluechip Fund
Mirae Asset	Mirae Asset Large Cap Fund
MID CAP	
Kotak	Kotak Emerging Equity Fund
Edelweiss	Edelweiss Mid Cap Fund
Mirae Asset	Mirae Asset Mid Cap Fund
Small CAP	
HSBC	HSBC Small Cap Fund
HDFC	HDFC Small Cap Fund
Flexi Cap	
HDFC	HDFC FlexiCap Fund
Franklin	Franklin India Flexi Cap Fund

## Portfolio Composition

Large Cap  
40%

Mid &  
Small Cap  
25%

Flexi Cap  
35%

Minimum time horizon: 5 years  
Review frequency: 6 months

### Aggressive Investor

*You are ready to take high risks, and very easily adapt when things don't go as you had planned, financially. Your objective is to get the highest return possible in the long term, and you accept the ups and downs along the way*



# MUTUAL FUND MODEL PORTFOLIOS | MODERATE PORTFOLIO

AMC	SCHEME NAME
<b>LARGE CAP</b>	
Kotak	Kotak Bluechip Fund
ICICI	ICICI Prudential Bluechip Fund
Mirae Asset	Mirae Asset Large Cap Fund
<b>MID CAP</b>	
Kotak	Kotak Emerging Equity Fund
Edelweiss	Edelweiss Mid Cap Fund
Mirae Asset	Mirae Asset Mid Cap Fund
<b>Small CAP</b>	
HSBC	HSBC Small Cap Fund
HDFC	HDFC Small Cap Fund
<b>Gilt &amp; Dynamic bond</b>	
Kotak	Kotak Gilt Fund – Growth
ICICI	ICICI Prudential All Seasons Bond Fund
Mirae Asset	Mirae Asset Dynamic Bond Fund

## Portfolio Composition

Large  
Cap  
40%

Gilt & Dynamic  
Bond  
40%

Mid &  
Small  
Cap  
20%

Minimum Time Horizon: 3 years  
Review Frequency: 12 months

### **Moderate Investor**

*You are an average risk taker, and try to adapt when things don't go as you had planned, financially. Your long term objective is to get a better return than a Fixed Deposit, net of tax, even if the short term performance could sometime be below expectations*

# MUTUAL FUND MODEL PORTFOLIOS | CONSERVATIVE PORTFOLIO

AMC	SCHEME NAME
<b>Corporate Bond &amp; Short Duration</b>	
Aditya Birla Sun Life	Aditya Birla Sun Life Corporate Bond Fund
ICICI Prudential	ICICI Prudential Corporate Bond Fund
Kotak	Kotak Bond Short Term Fund
HDFC	HDFC Short Term Fund
<b>Gilt &amp; Dynamic Bond</b>	
Kotak	Kotak Gilt Fund – Growth
ICICI	ICICI Prudential All Seasons Bond Fund
Mirae Asset	Mirae Asset Dynamic Bond Fund
<b>Dynamic Asset Allocation</b>	
ICICI	ICICI Prudential Balanced Advantage Fund
Edelweiss	Edelweiss Balanced Advantage Fund
Mirae Asset	Mirae Asset Balanced Advantage Fund

## Portfolio Composition

Corporate  
Bond &  
Short  
Duration  
50%

Gilt &  
Dynamic  
Bond  
30%

Dynamic  
Asset  
Allocation  
20%

Minimum Time Horizon: 3 years  
Review Frequency: 12 months

### **Conservative Investor**

*You are unwilling to take risks, and get very uneasy when things don't go as you had planned, financially. Your long term objective is to try to get a slightly better return than a fixed deposit, net of tax.*

# MUTUAL FUND MODEL PORTFOLIOS | Regular Income Basket

AMC	SCHEME NAME
<b>Dynamic Asset Allocation</b>	
ICICI Prudential	ICICI Prudential Balanced Advantage Fund
HDFC	HDFC Balanced Advantage Fund
Edelweiss	Edelweiss Balanced Advantage Fund
Mirae Asset	Mirae Asset Balanced Advantage Fund
<b>Equity Savings</b>	
Mirae Asset	Mirae Asset Equity Savings Fund
HDFC	HDFC Equity Savings Fund

Reasons to select SWP option than dividend option to get regular income		
	SWP	Dividend
<b>Withdrawal Amount</b>	Regular income amount is Fixed	Dividend amount is not fixed
<b>Flexibility</b>	Investor can change in regular income amount at any time	Dividend frequency is at the discretion of the fund house
<b>Taxation</b>	Capital gains on investments withdrawn are taxed as per equity taxation	Tax as per income slab for dividend income

## Portfolio Composition

**Dynamic Asset Allocation**  
70%

**Equity Savings**  
30%

Minimum Time Horizon: More than 5 years  
Review Frequency: 12 months

### Investor

*You are investing lumpsum amount and want regular income from investment. You are ready to take some risk.*

# MUTUAL FUND MODEL PORTFOLIOS | Build India Basket

SCHEME NAME	Objective	Riskometer
<b>Thematic Funds</b>		
UTI Transportation and Logistics Fund	Invest predominantly in equity and equity related securities of companies engaged in the transportation and logistics sector	Very High
ICICI Prudential Manufacturing Fund	Invest predominantly in equity and equity related securities of companies engaged in manufacturing theme	Very High
Mirae Asset Healthcare Fund	The investment objective of the scheme is to seek to generate long term capital appreciation through investing in equity and equity related securities of companies benefitting directly or indirectly in Healthcare and allied sectors in India	Very High
<b>Sectoral Funds- Infrastructure</b>		
ICICI Prudential Infrastructure Fund	Invest predominantly in equity and equity related securities of companies belonging to the infrastructure.	Very High
<b>Flexi Cap Funds</b>		
Franklin India Flexi Cap Fund	The investment objective of this scheme is to provide growth of capital plus regular dividend through a diversified portfolio of equities, fixed income securities and money market instruments.	Very High
HDFC Flexi Cap Fund	To generate capital appreciation / income from a portfolio, predominantly invested in equity & equity related instruments	Very High

## Portfolio Composition

**Thematic/  
Sectoral  
80%**

**Flexi  
Cap  
20%**

Minimum Time Horizon: 5 years  
Review Frequency: 12 months

Scheme Name	Category	Corpus (In crs.)	1 Year	3 Years	5 Years
ICICI Prudential Manufacturing Fund - Reg – Growth	Thematic	3,373	65.5	31.6	24.3
UTI Transportation and Logistics Fund - Growth	Thematic	3,108	59.4	28.4	19.1
Mirae Asset Healthcare Fund - Reg – Growth	Sectoral-Pharma	2,235	46.4	14.8	23.6
ICICI Prudential Infrastructure Fund - Growth	Sectoral-Infra	5,186	65	42.1	27.1
HDFC Flexi Cap Fund - Growth	Flexi Cap	50,840	43.3	27.8	19.4
Franklin India Flexi Cap Fund - Growth	Flexi Cap	14,623	44.6	23.5	18.7
<b>(Performance as on 22 Apr 2024)</b>					

## Investor

*You are ready to take high risk and want to participate in growth story through thematic and sectoral schemes.*

MUTUAL FUND MODEL PORTFOLIOS | Go Global Basket

Scheme Name	International Allocation	Objective	Riskometer		
International Schemes					
Mirae Asset S&P 500 Top 50 ETF FOF	100%	The investment objective of the scheme is to generate returns, before expenses, that are commensurate with the performance of the S&P 500 Top 50 Total Return Index, subject to tracking error and forex Movement	Very High		
Kotak NASDAQ 100 Fund of Fund	100%	The investment objective of the scheme is to provide long-term capital appreciation by investing in units of overseas ETF's and/ or Index Fund based on NASDAQ 100 TRI.	Very High		
ICICI Prudential US Bluechip Equity Fund	100%	Investing predominantly in securities of large cap companies listed in the United States of America.	Very High		
MF Schemes with International Allocation					
Axis Growth Opportunities Fund - Reg – Growth	17%	Investing in a diversified portfolio of Equity & Equity Related Instruments both in India as well as overseas	Very High		
SBI Magnum Global Fund – Growth	17%	Investing in diversified portfolio comprising primarily of MNC companies.	Very High		
Scheme Name		Corpus (In crs.)	1 Year	3 Years	5 Years
International Schemes					
Kotak NASDAQ 100 Fund of Fund - Reg – Growth		3,008	33	10.7	--
ICICI Prudential US Bluechip Equity Fund – Growth		3,192	16.6	9	15.3
Mirae Asset S&P 500 Top 50 ETF Fund of Fund - Reg – Growth		506	50.6	--	--
MF Schemes with International Allocation					
Axis Growth Opportunities Fund - Reg - Growth		11,739	43.3	20.1	21
SBI Magnum Global Fund - Growth		6,276	17	13.2	14.9
(Performance as on 22 Apr 2024)					

Portfolio Composition

International 80%

MF Schemes with International allocation 20%

Minimum Time Horizon: 5 years

Review Frequency: 12 months

**Investor**  
You are ready to take high risk and want to invest in international schemes.

# SCHEME SELECTION AND INVESTING

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