

INVESTMENT STRATEGY

MUTUAL FUND PORTFOLIOS

Jan 2024

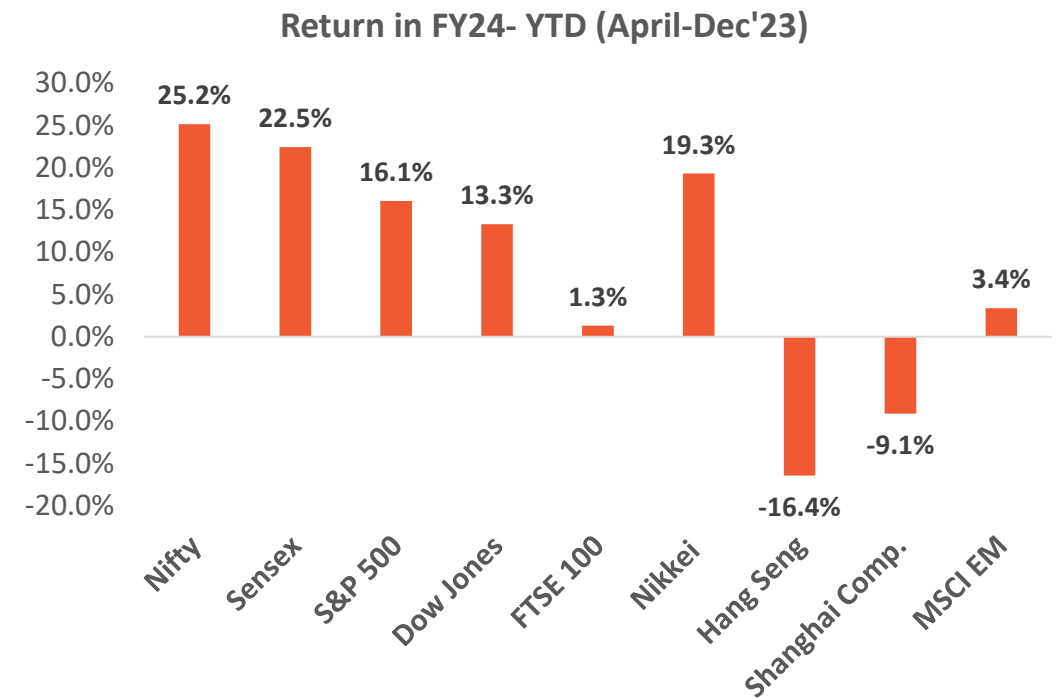
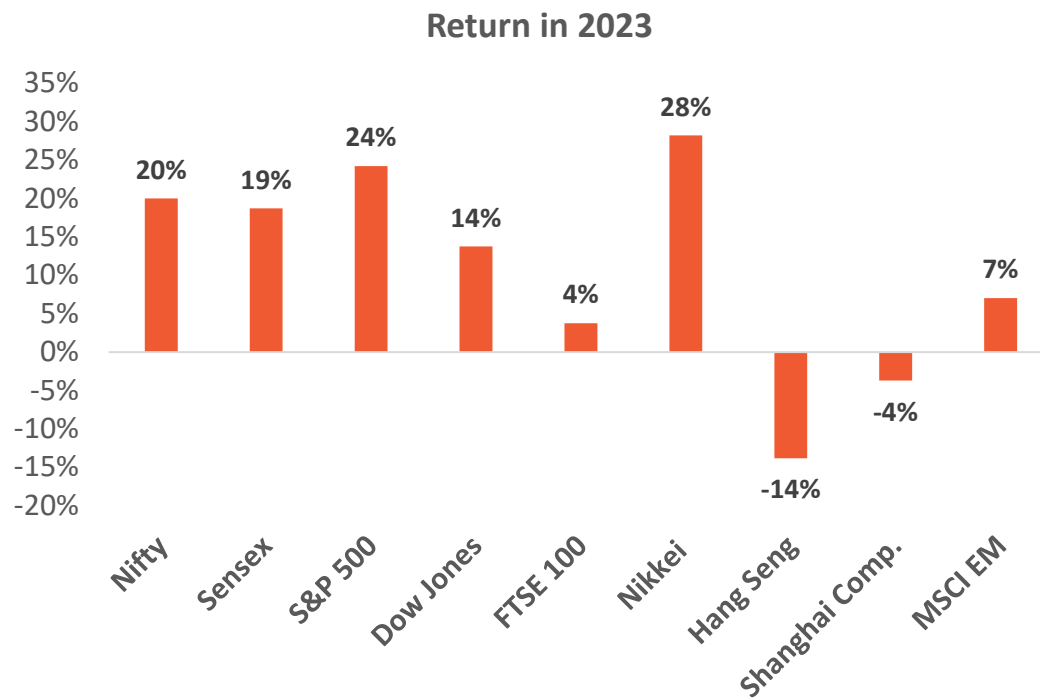


January 2024

Equity Market Outlook

2023 remained a remarkable year; Solid outperformance in FY24 YTD

- India remained one of the best markets in 2023 among global markets and outperformed most of its peers convincingly in FY24 YTD. Also, the Sensex surpassed the \$4 trillion-Mcap mark in November 2023 and became the world's fifth-largest market.

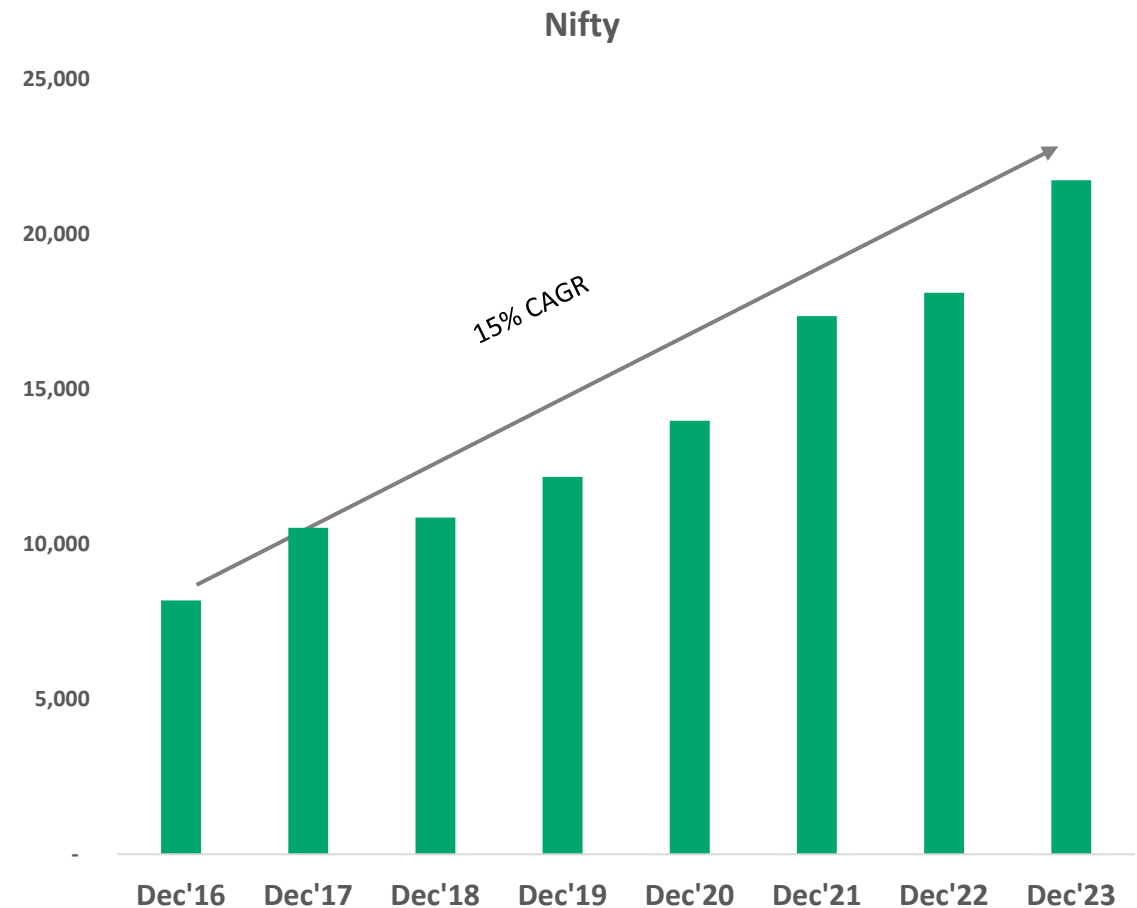


Source: Sharekhan Research

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).



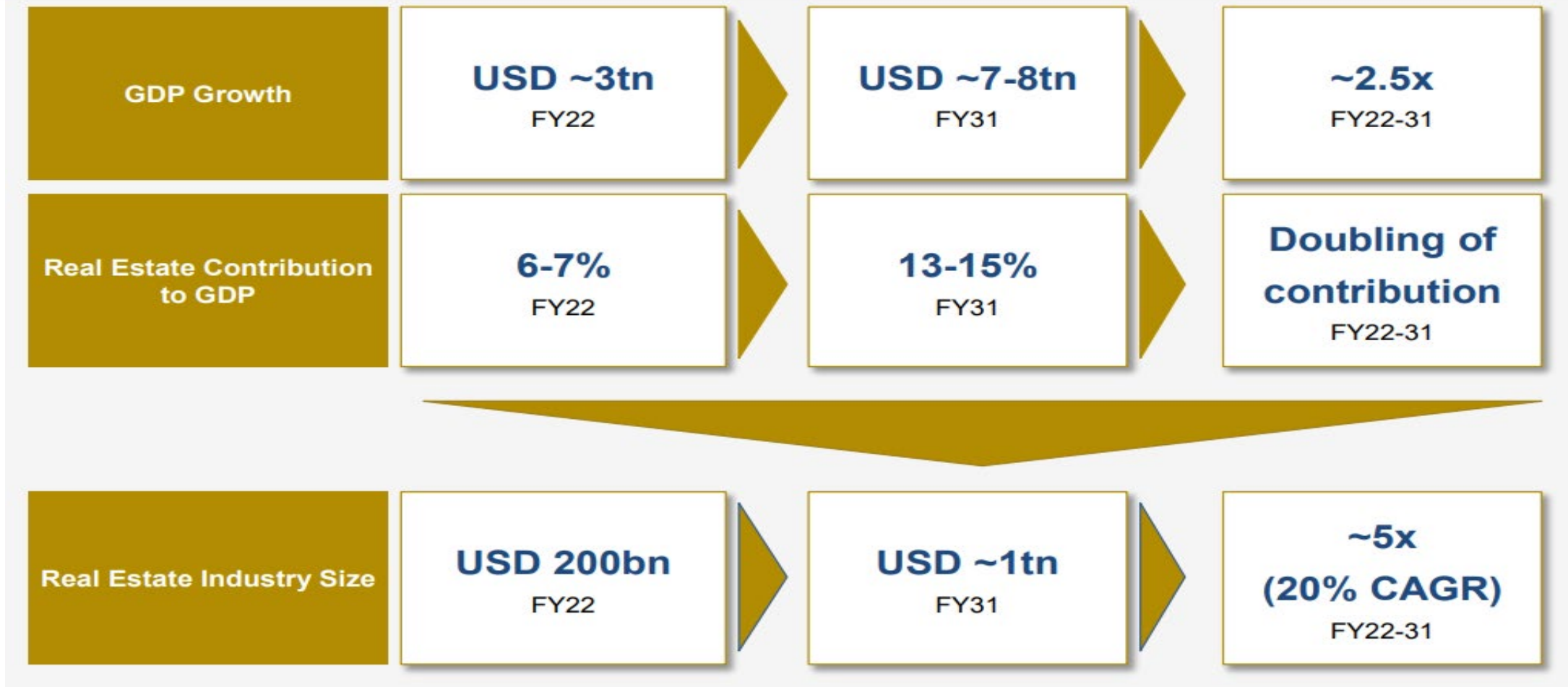
CORPORATE CAPEX

(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 tn vis-à-vis five years back

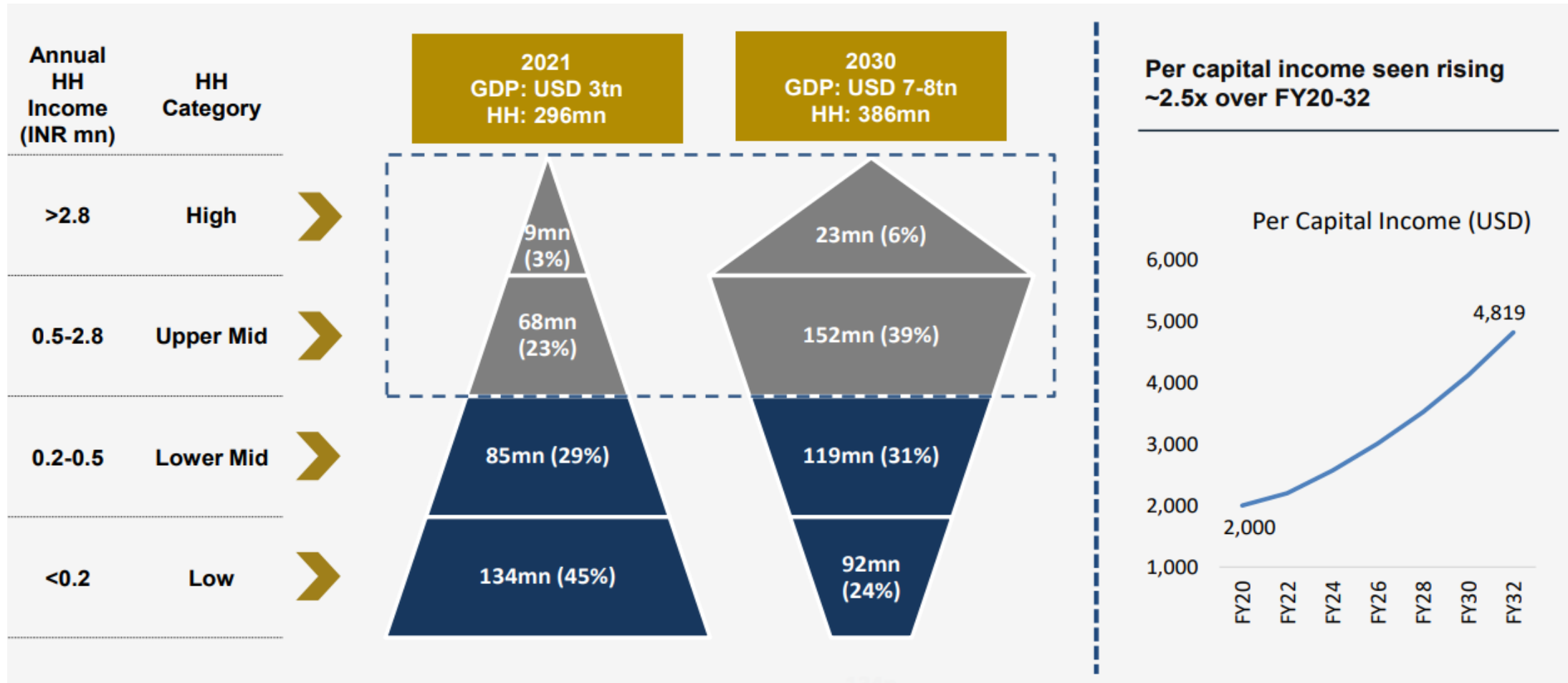
Real Estate set to grow ~2x faster than Indian Economy

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



Source: Macrotech Developers; Sharekhan Research

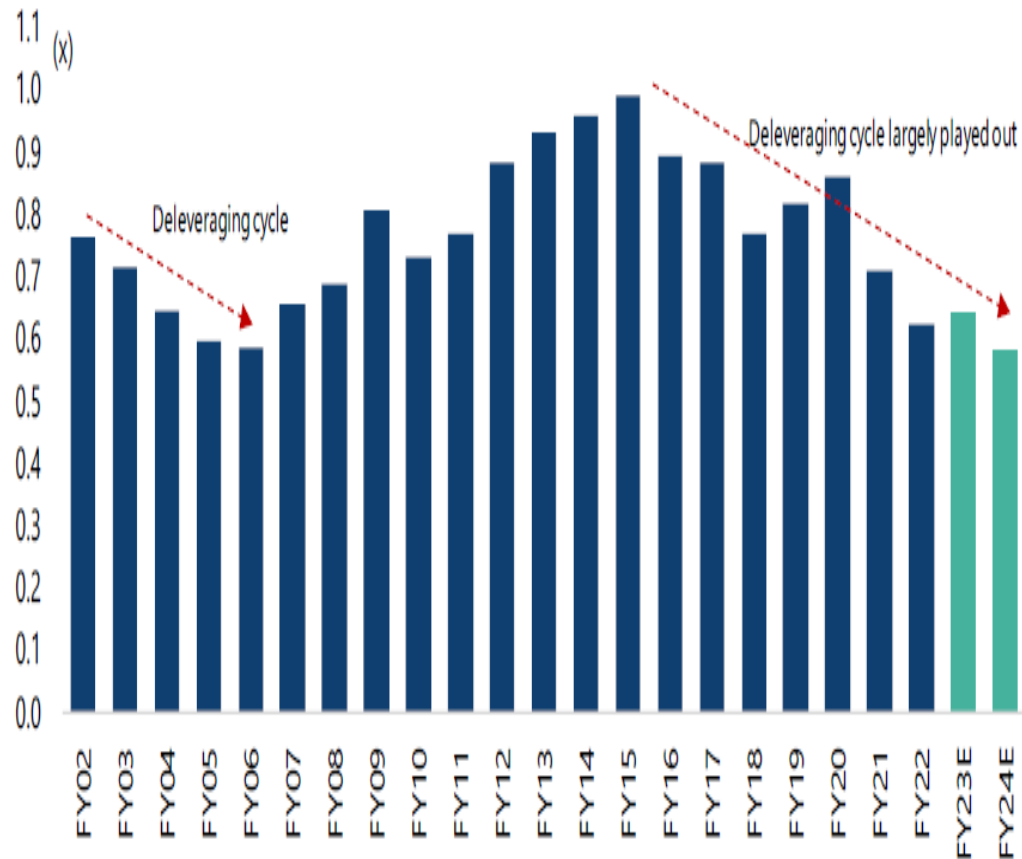
Real Estate: Potential demand of 8-9 crore new houses over the next decade



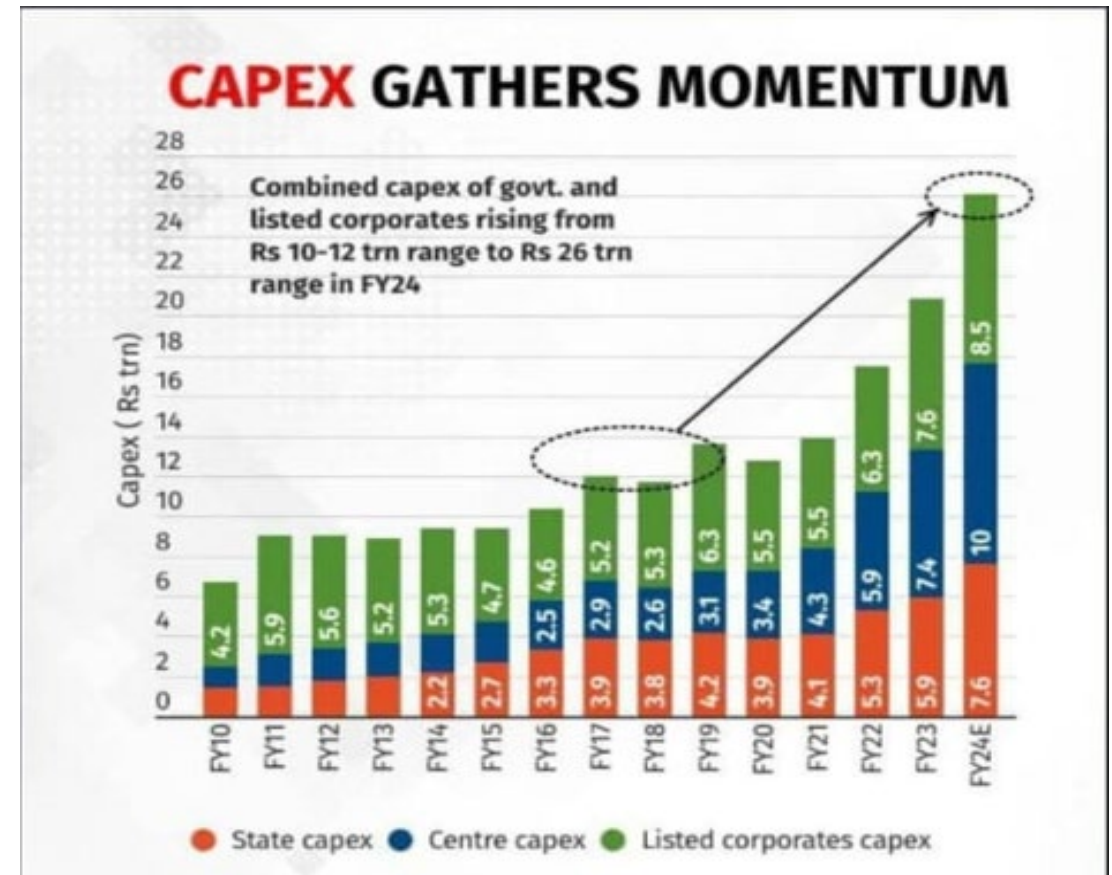
Source: Macrotech Developers; Sharekhan Research, HH - Households

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

- A visible revival in private capex and sustained pick up-in government capex bodes well. Record capex of Rs 26 lakh crore vis-à-vis Rs 10-12 lakh crore 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



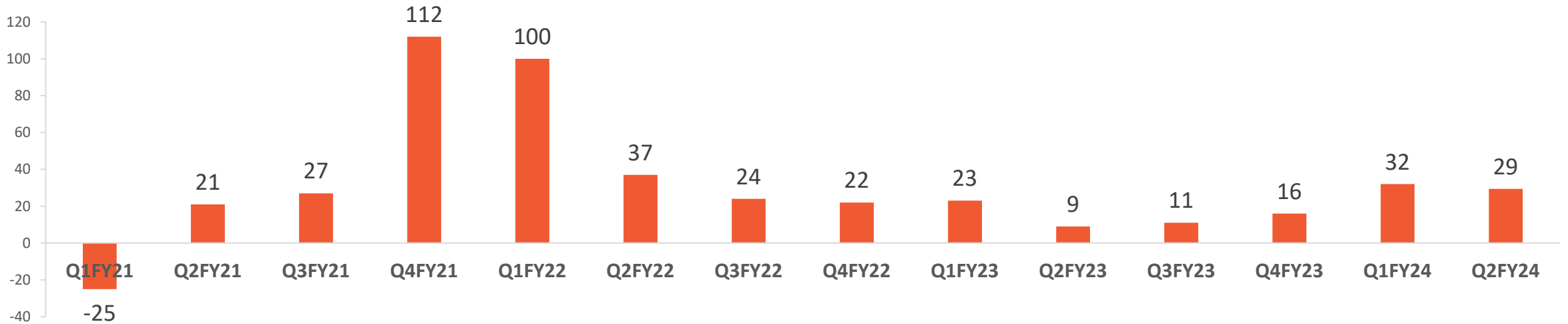


Corporate Earnings

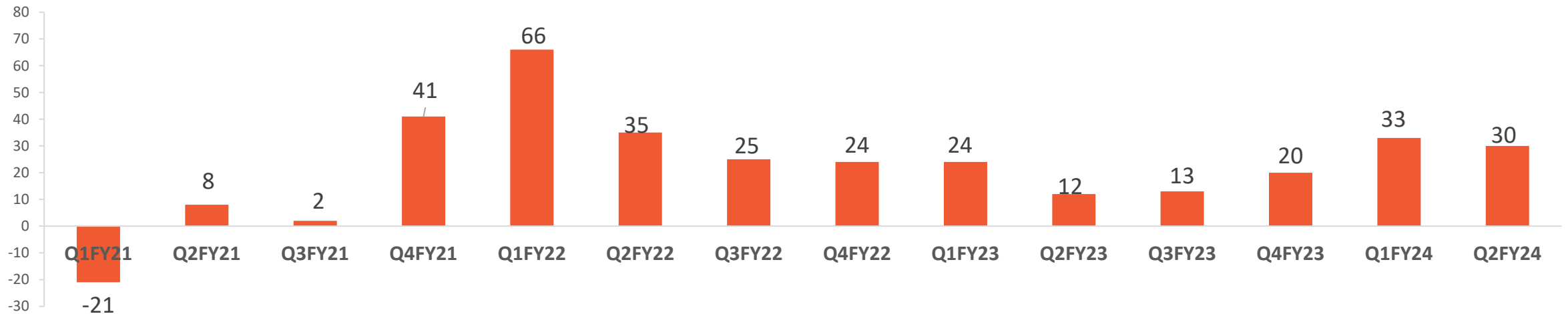
Double-digit earnings despite rate hikes

Nifty & Sensex: Strong Earnings Growth for 13 Quarters Now!

Nifty Cos Earnings Growth (% Y-o-Y)

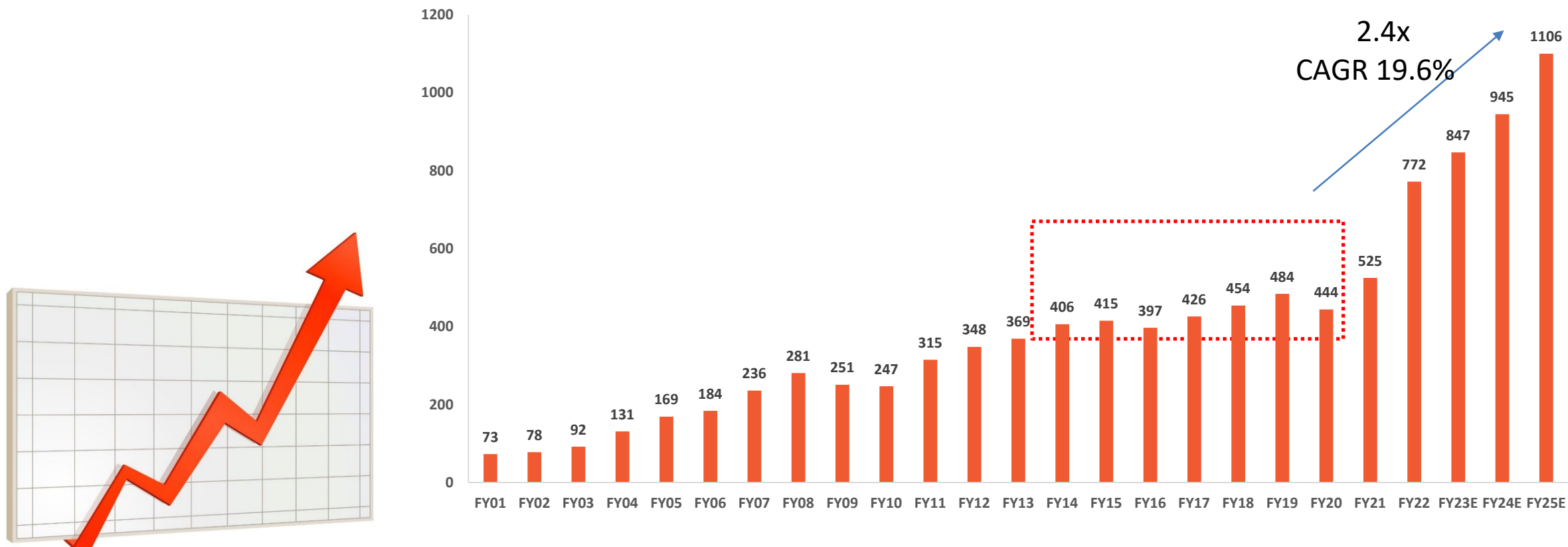


Sensex Cos Earnings Growth (% Y-o-Y)



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

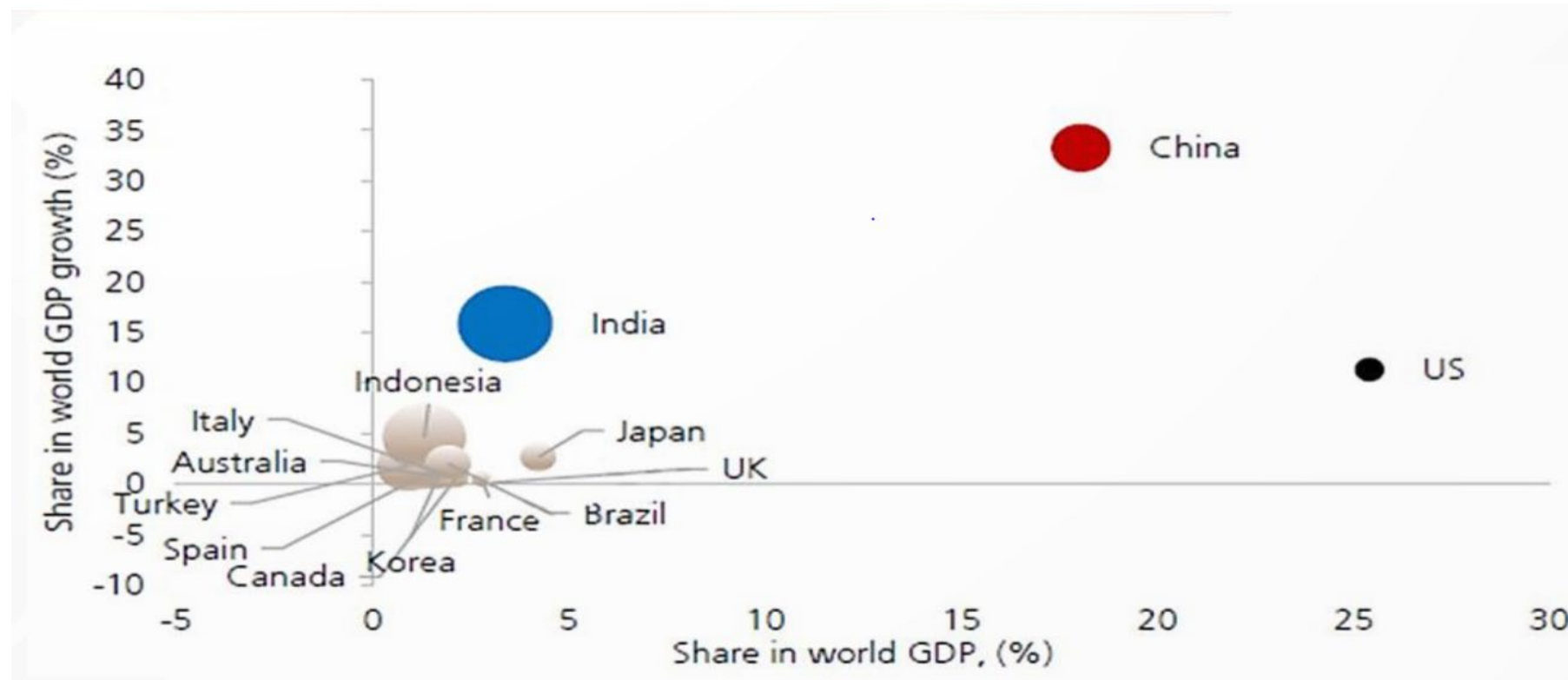


India Equity

Can't be ignored by serious investors anymore

India's share to world GDP growth at 15%: The second best cannot 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..

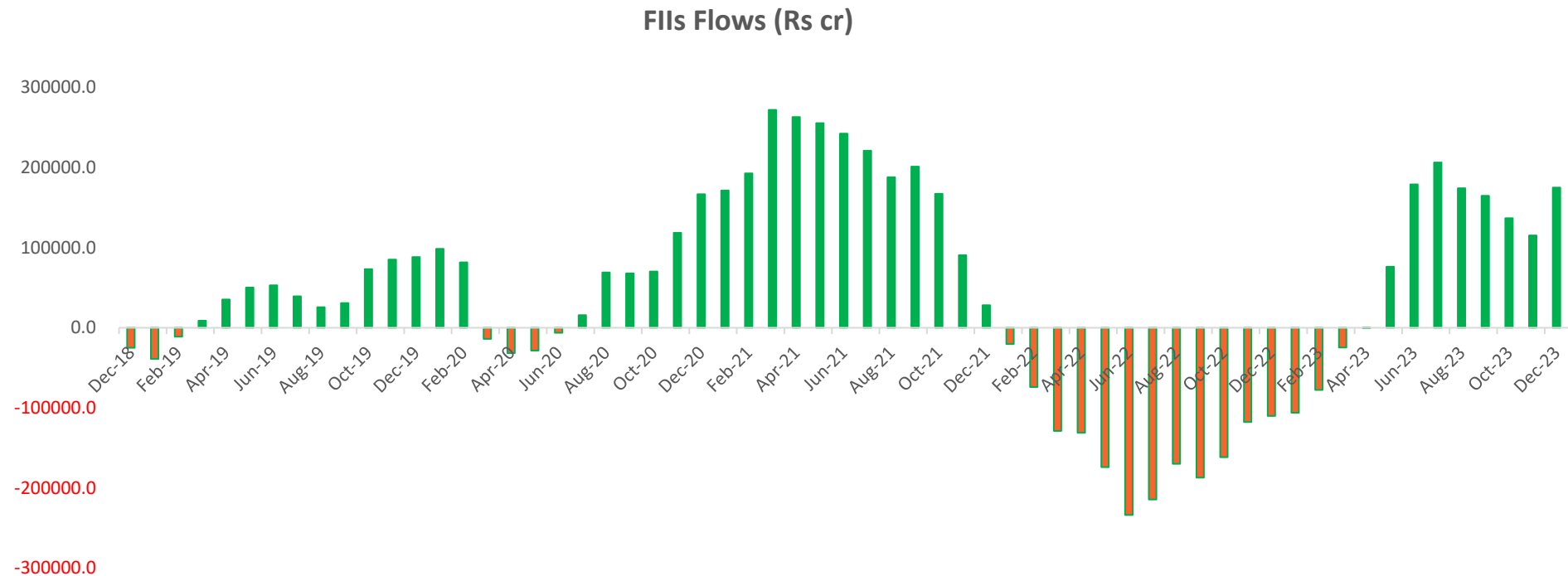
India scores the best among key emerging nations based on October 2023 data. India scores better in most parameters vis-à-vis key emerging nations including China, Brazil, Indonesia, among others.

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

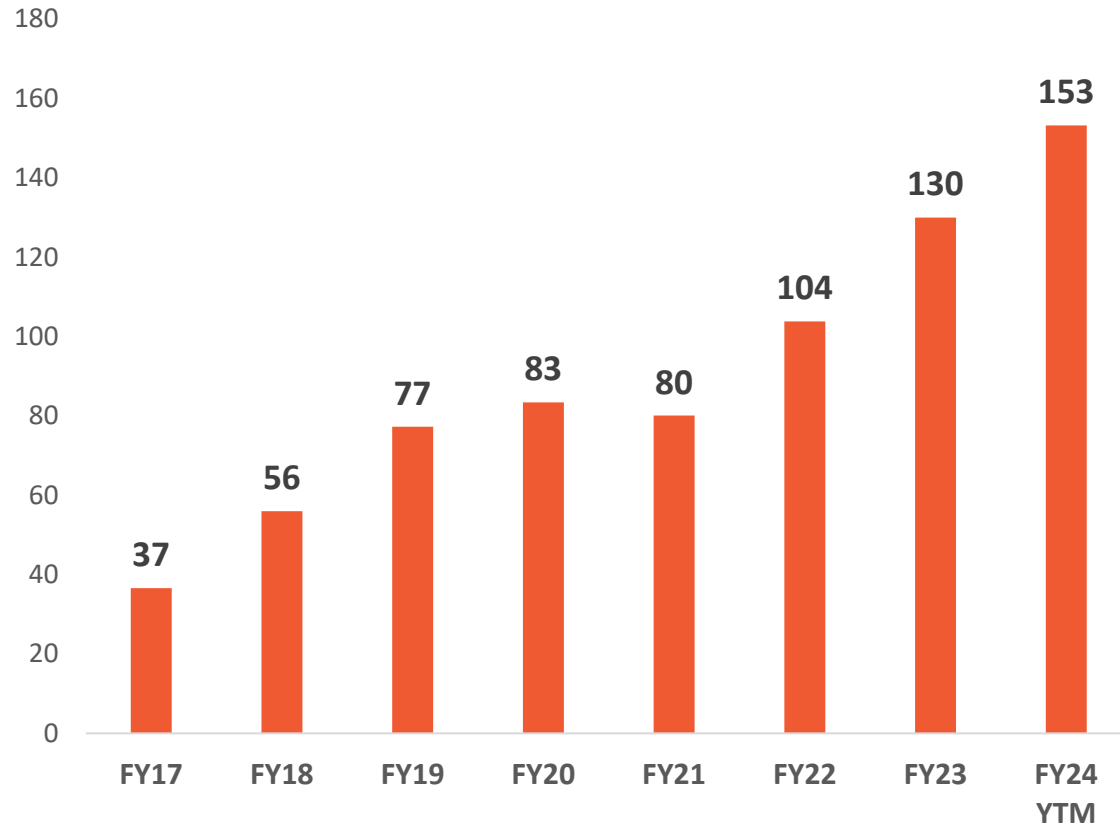
- Weekly or monthly trend in FII flows can be very volatile and unpredictable.
- However, on a 12-month rolling basis, FII flows into India have turned positive in May-23 after a long gap since December 2021. This gives some sense of trend for the next couple of months.



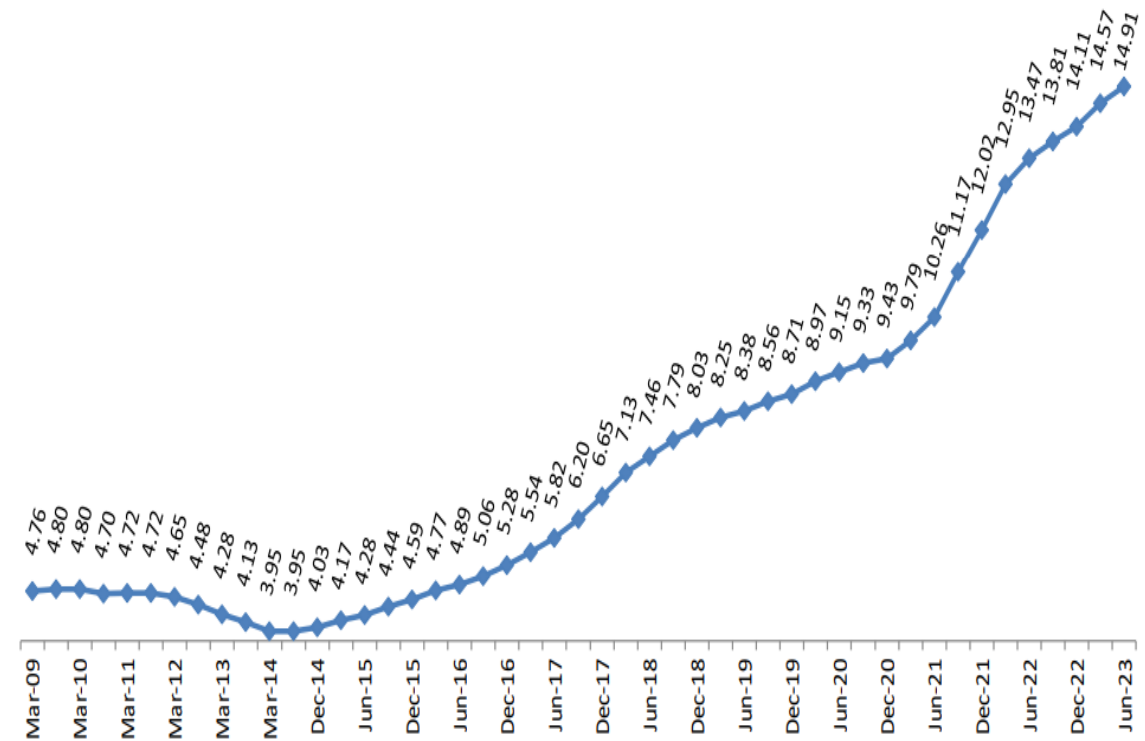
Source: Bloomberg, Sharekhan Research

Domestic SIP inflows: Emerged as key Source of Retail inflows in Equities

Avg. Monthly SIP Flows (Rs bn)

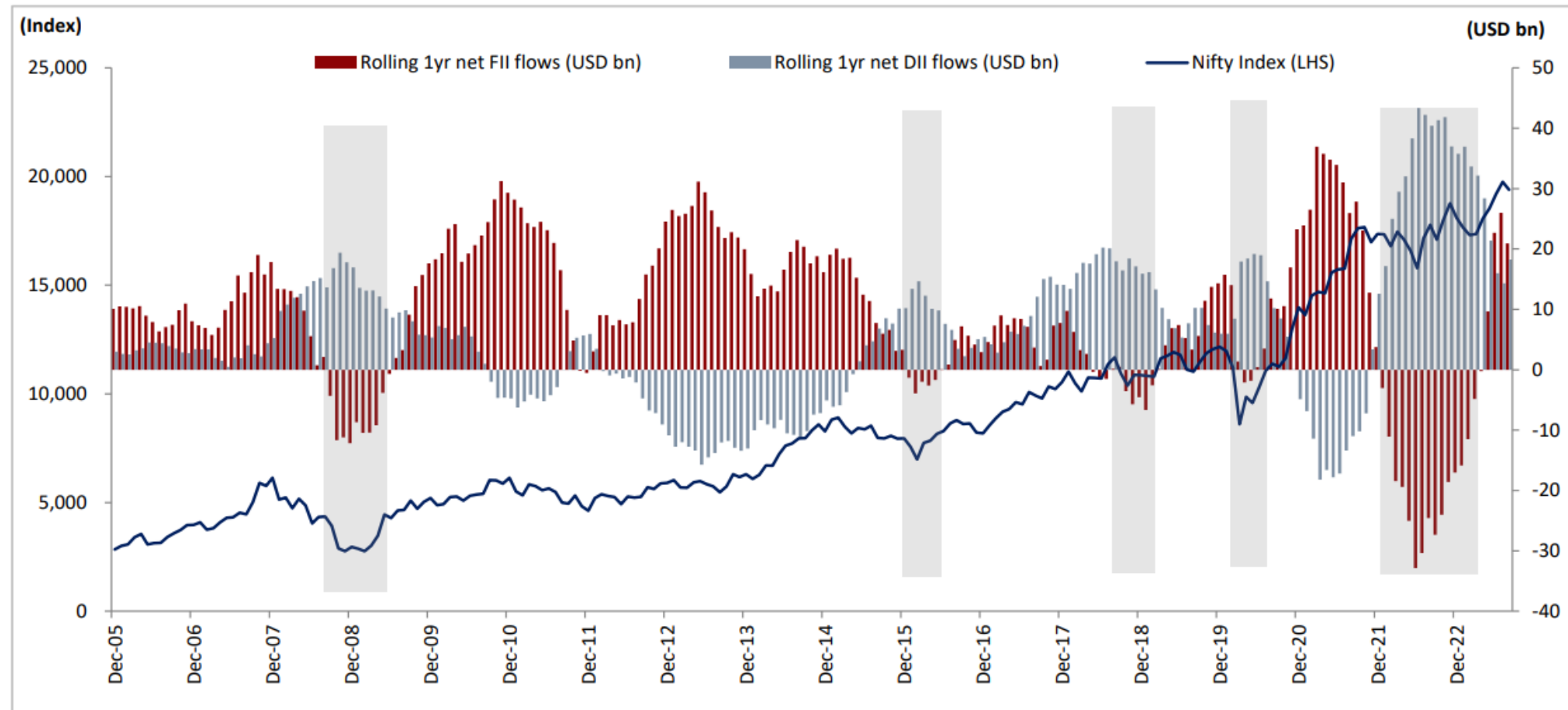


MF Industry witnessed more than 3.5x increase in no of folios since 2014 (in cr)



Source: AMFI, Sharekhan Research

Resultantly domestic investors becoming more relevant in Indian markets.



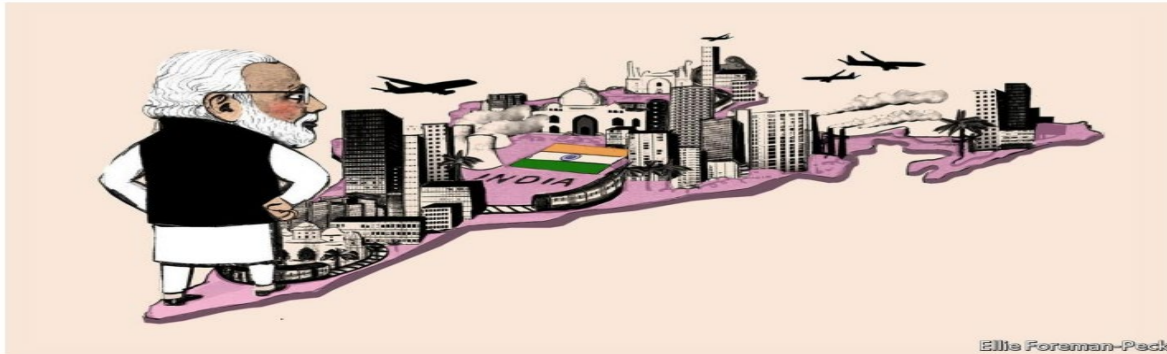
Source: AMFI, Sharekhan Research

India: Fastest growing large economy globally in CY2023/CY2024

(Real GDP, annual percent change)	PROJECTIONS		
	2022	2023	2024
World Output	3.5	3.0	2.9
Advanced Economies	2.6	1.5	1.4
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
Emerging Market and Developing Economies	4.1	4.0	4.0
Emerging and Developing Asia	4.5	5.2	4.8
China	3.0	5.0	4.2
India	7.2	6.3	6.3
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
Memorandum			
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)

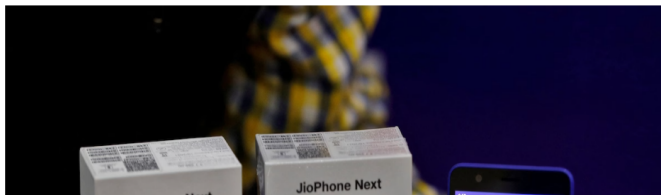
The Washington Post
Democracy Dies in Darkness

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

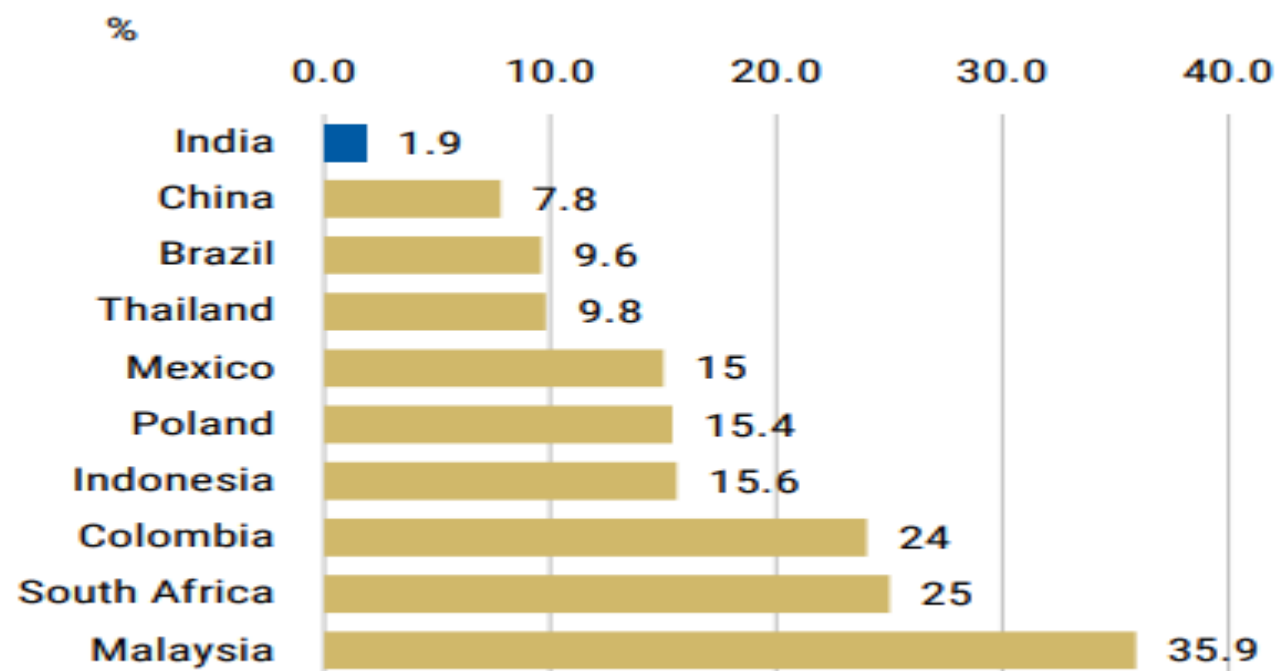
The reality of stagflation was the title of the most recent *Asia Maxima* (see [Asia Maxima 2022 – The reality of stagflation](#), 5 April 2022). That reality has certainly been confirmed by the latest US data both as regards inflation and wage growth. US headline PCE inflation rose from 6.3% YoY in 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 a 1% weight 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 funding for India.

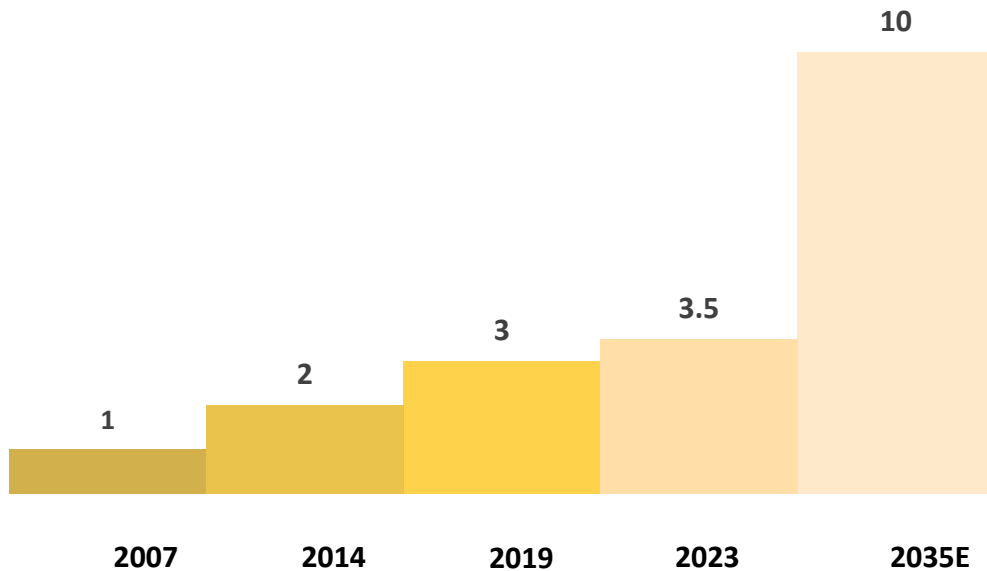
India has the lowest foreign ownership of government bonds among major EM countries



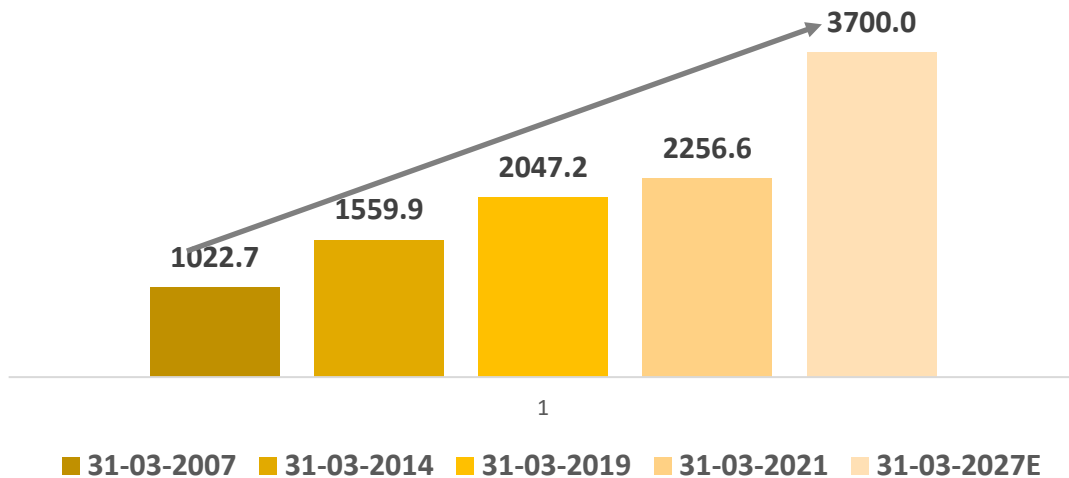
Source: Industry Report

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	?



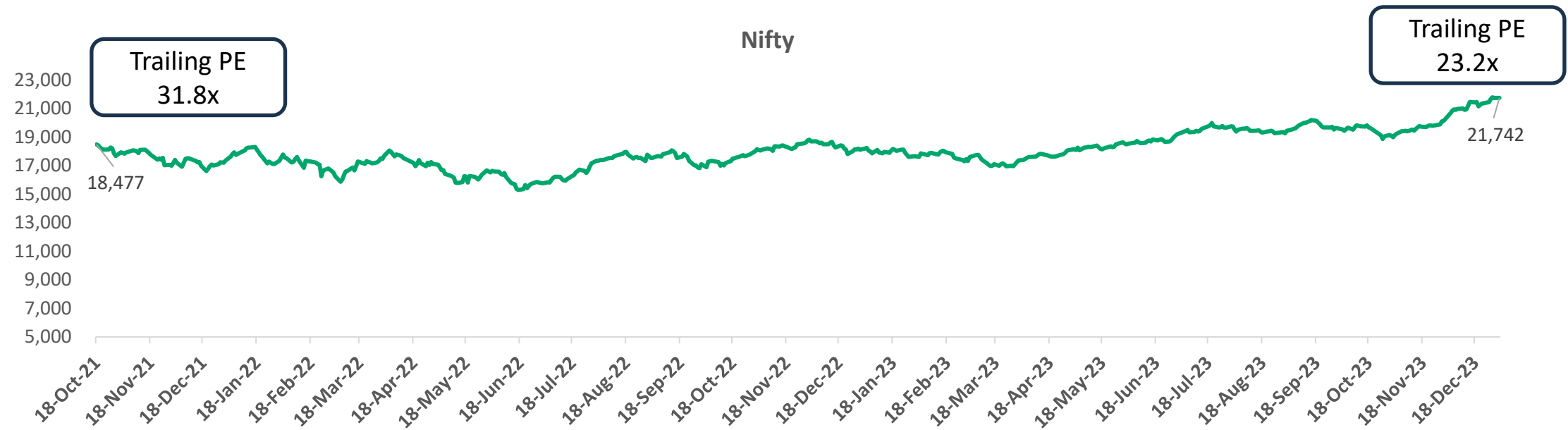
Valuation

Markets saw sharp upmove in FY24 YTD, but valuations still do 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	Dec-23	
Nifty EPS	582	910	↑
GST Collections (Rs. bn)	1300	1645	↑
Credit Growth (%)	6.3	15.5	↑
Manufacturing PMI	55.9	57.5	↑
Services PMI	58.4	61.0	↑

	Oct-21	Dec-23	
CPI (%)	4.48	5.55	↑
WPI (%)	13.83	0.26	↓
10-year G-Sec Yields (%)	6.4	7.20	↑
Brent Crude (\$/bbl)	84.4	77.0	↓
Fiscal Deficit (%)	6.4	6.4	↔

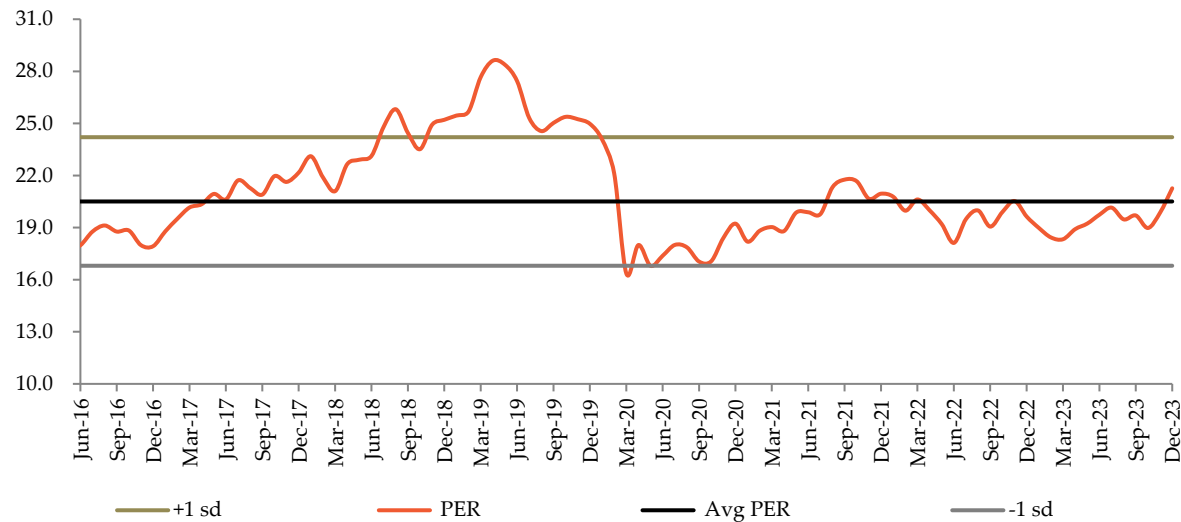


Source: Bloomberg, Sharekhan Research

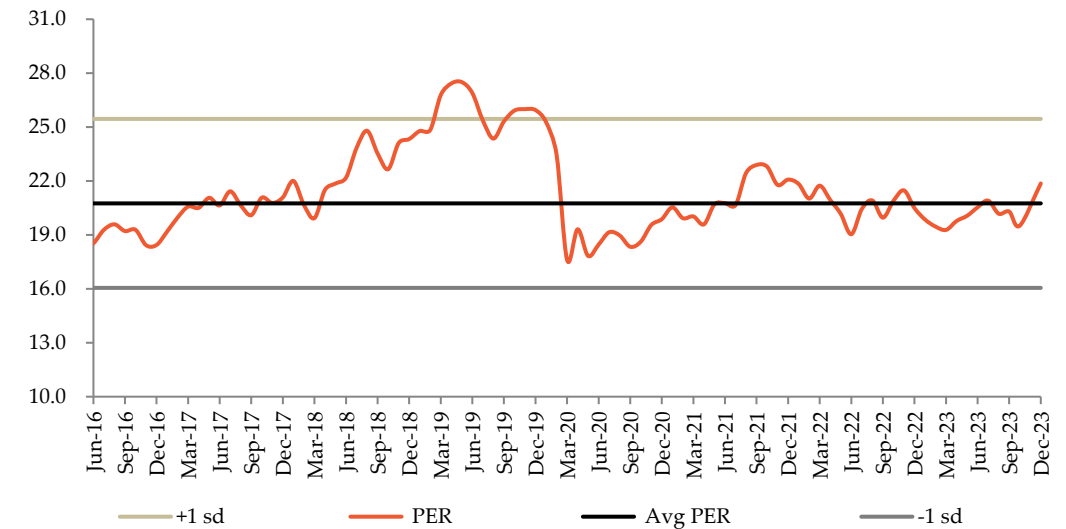
Valuation: Not cheap anymore; sound earnings outlook to aid premium valuations

- 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



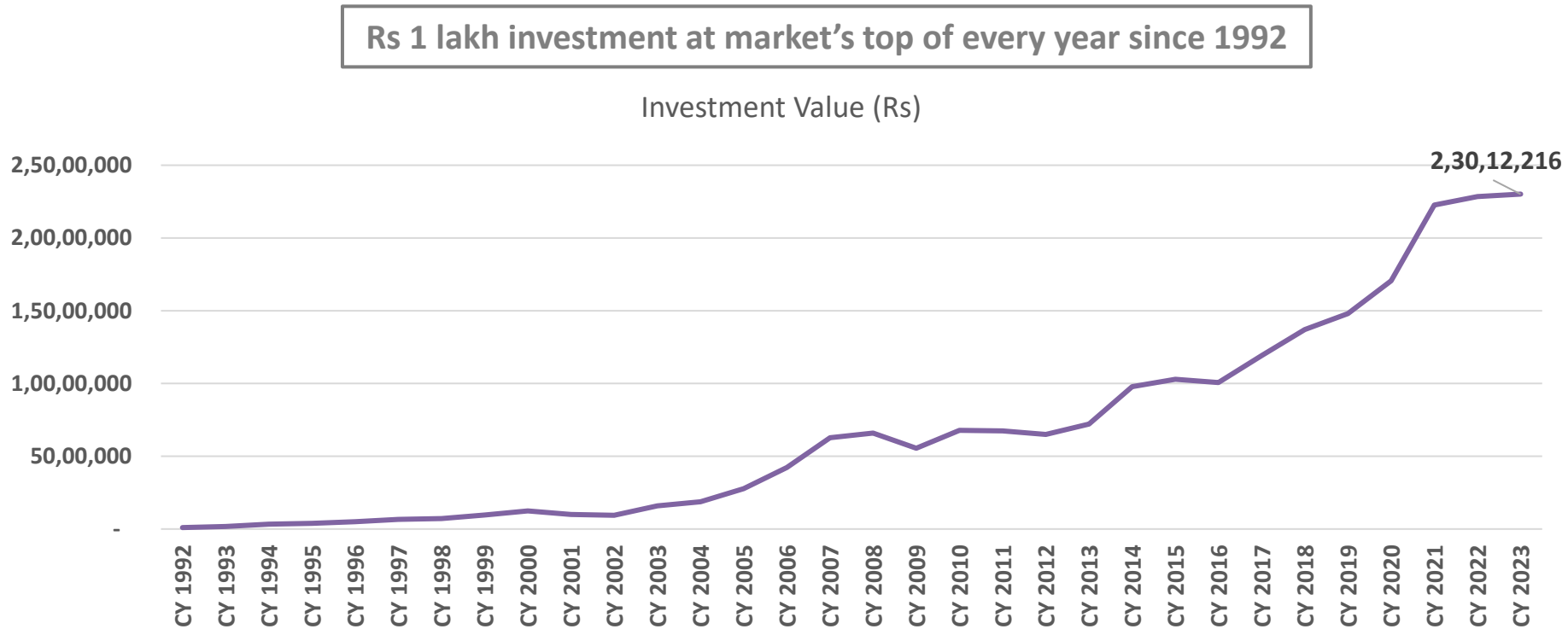
One-year forward PE chart of Sensex



Source: Bloomberg; Sharekhan Research

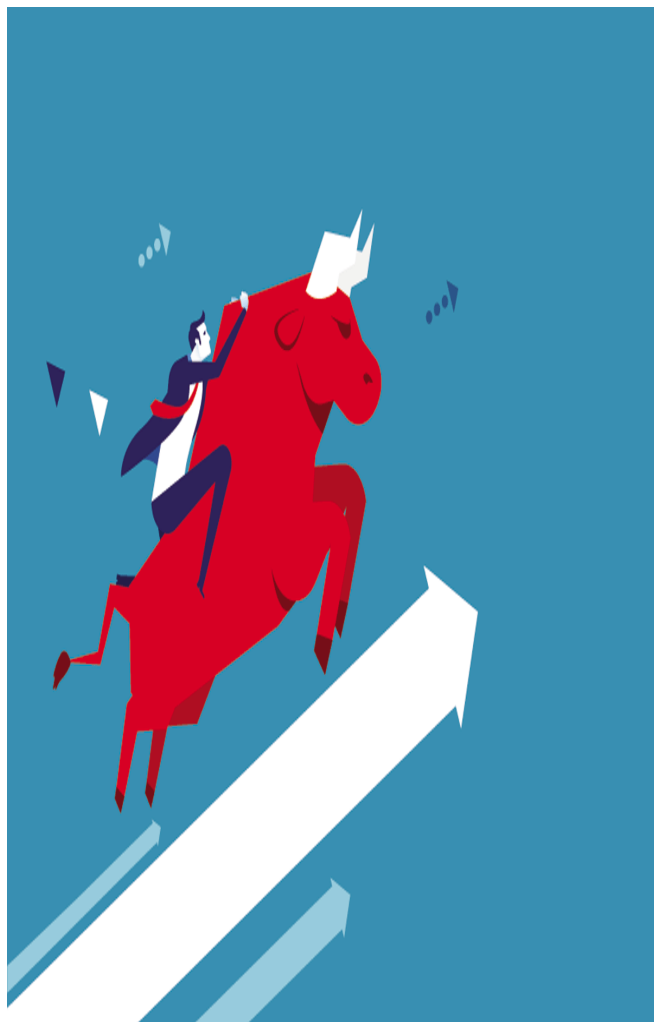
Disciplined investment pays off irrespective of market levels..

- 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

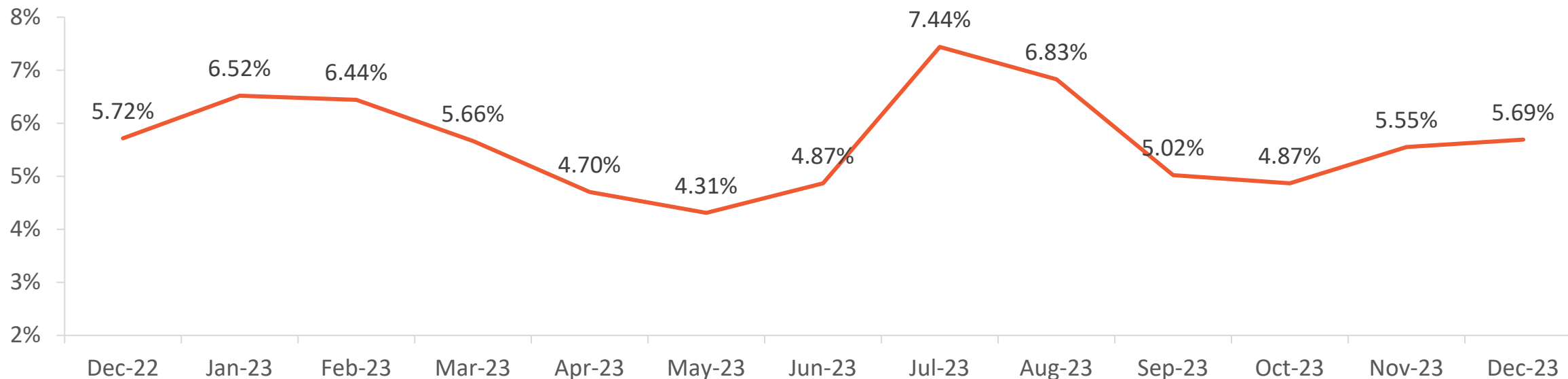


- Equity market turned a bit volatile lately on the back of unfavourable global cues, FII selling and some profit booking after a vert sharp rally in December 2023.
- The Nifty does go through correction of 5-10% from recent peak every year which is usually an opportunity to Buy in hindsight. It seems to be same this time around also. However, the correction could be severe in the micro-caps or speculative stocks.
- The Q3FY24 results season has been a mixed bag as of now. This could result in stock-specific volatility rather than any meaningful downgrade in earnings estimates.
- More importantly, from near-term events, investors should focus on the **BIG PICTURE** of a multi-year growth upcycle in Indian economy & corporate earnings. Thus, stay invested in right quality of stocks and do not miss out the opportunity to make handsome returns over the next 2-5 years.
- It is time spent in the market that is important than timing the market. This clearly reflects in the study done for past thirty years where the returns would have been healthy even if investor would have put money on a day of yearly market peak level.

DEBT/ FIXED INCOME UPDATE & OUTLOOK

Consumer Price Index (CPI) Inflation

CPI based Inflation (YoY %)



CPI inflation rose to 4 month high of 5.69% in December 2023 and this can be attributed to elevated food prices. The headline inflation is in upward trajectory from last month and move close to RBI's upper band tolerance level. The core inflation is moderating and move below the RBI's target of 4%.

- Food & Beverages, which have the highest weight of 54.2% in CPI rose to 8.7% in Dec-23 as compared to 8.02% in the previous month. The inflationary trend in cereals, pulses and spices is in double digit. The inflation in fruits and vegetables continued to hover in double digit, with growth rates of 11.14% and 27.64% respectively. The contraction in the oil and fat category provided a relief to the overall food inflation.
- Among non-food item such as clothing and footwear, household goods/services, education and personal care saw a moderation in inflation which helped to bring down core inflation.

Index of Industrial Production (IIP)

The IIP growth slowed to 2.4% in November 2023 as compared growth of 11.6% in the previous month and this is attributed to unfavourable base effect. On a month-on-month basis, the manufacturing and electricity activities contracted by -1.7% and -13.5% respectively. Month-on-month contraction in manufacturing and electricity activities further constrained IIP growth.

- **Mining:-** Activity moderated to 6.8% in Nov-23 as compared to double digit growth from past four months and growth of 13.1% in the previous month.
- **Manufacturing:-** It has the highest weightage of (77.6%) in the IIP. The activity moderated to 1.2% in Nov-23 as compared to 10.2% growth in the previous month. The moderation in activities is attributed to unfavourable base effect and month on month contraction in manufacturing activities. Contraction in manufacture of electrical equipment (-16.8%), Manufacture of chemicals and chemical products (-3.9%) and Manufacture of wearing apparel (-20.5%) are the major contributors to this overall moderation. Out of 23 industries, only 6 have recorded positive growth and remaining are in contraction. Manufacture of electrical equipment move to contraction after having positive trajectory from the past 10 months.
- **Electricity:-** The electricity output moderated to 5.8% in Nov-23 after having double digit growth from last three months. This moderation is attributed to unfavorable base effect and month on month contraction in activities.

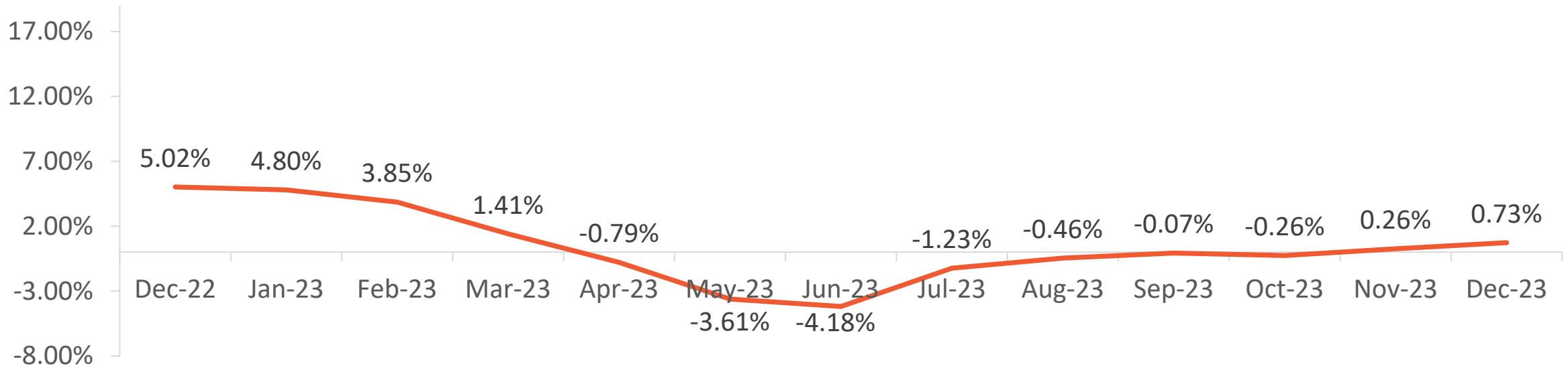
GROWTH IN SECTORAL			
	Sep-23	Oct-23	Nov-23
MINING	11.5%	13.1%	6.8%
MANUFACTURING	4.9%	10.2%	1.2%
ELECTRICITY	9.9%	20.4%	5.8%
GENERAL	6.2%	11.6%	2.4%
GROWTH IN USE-BASED CLASSIFICATION			
PRIMARY GOODS	8.0%	11.4%	8.4%
CAPITAL GOODS	8.4%	21.3%	-1.1%
INTERMEDIATE GOODS	6.1%	9.4%	3.5%
INFRASTRUCTURE/ CONSTRUCTION GOODS	8.9%	11.3%	1.5%
CONSUMER DURABLES	1.1%	15.9%	-5.4%
CONSUMER NON-DURABLES	3.0%	8.7%	-3.6%

Source: MOSPI, Sharekhan Research

IIP growth moderated to 2.4% in Nov-23 as compared to double digit growth of 11.6% in the previous month and this can be attributed to unfavourable base effect and month-on-month contraction in activities. The increasing inflationary pressure and uncertain ruby output are headwinds for the consumption scenario. Additionally, a weak global scenario also pose risk to the durable consumption recovery.

Wholesale Price Index (WPI) Inflation

WPI Inflation (YoY %)



WPI inflation is in positive trend from last two months even though the improvement is marginal. The WPI inflation grew by 0.73% in Dec-23 compared to nominal growth of 0.26% in the previous month.

- Inflation in primary articles which has the weight of 22.6% in the WPI basket is in upward trajectory and grew by 5.8% in Dec-23 as compared to growth of 4.8% in the previous month.
- Food inflation is in positive trajectory from last two months and grew by 9.4% in Dec-23 compared to growth of 8.2% in the previous month. The recent spike in fruits and vegetables prices attributed to this overall food inflation.
- Inflation in fuel and power and manufactured products is in contraction from more than six months and the pace of contraction is reducing.

Liquidity: RBI to keep liquidity conditions tight

- The average call money rate has been hovering above the repo rate as the liquidity conditions continue to remain tight for the month of January.
- Banking system liquidity has moved to surplus during January 2024, but the RBI is likely to maintain tight liquidity in accordance with its “Withdrawal of Accommodation” stance. System liquidity stood at Rs.1.56 lakh crore on January 9, 2024 as compared to average liquidity of Rs. 1.17 lakh crore in December 2023. The banking system liquidity average for January 1-9, 2024 is at Rs. 1.29 lakh crore, which is Rs. 0.12 lakh crore, higher than previous month average liquidity.

Bond prices & other updates

- The new 10-year 7.26% 2033 G-Sec yield settled at 7.22% on January 09, 2024 and ease marginally compared to previous month owing to rate cut expectations.
- The RBI in its recent monetary policy unanimously voted to keep repo rate at 6.5% for the fifth consecutive time and maintain its stance at “Withdrawal of accommodation”. The RBI express growth optimism and revised growth projection upward by 50bps to 7% while keeping inflation projection for FY24 unchanged at 5.4%. The core inflation is softening and the RBI Governor acknowledged the risks to the headline inflations from volatile food prices.
- Currently, bond yields are at elevated level across the yield curve with maximum potential is at long duration fund on the back of expected rate cut cycle. The corporate bond yields are also at attractive level reflecting prevailing tight liquidity. The net FPI inflow into debt is at highest level after the announcement of India’s inclusion in JP Morgan’s global bond index. This robust FPI inflows into debt is expected to support G-Sec yields.
- CPI inflation rose to a four-month high of 5.69% in December 2023 and this can be attributed to elevated food prices. The headline inflation is in upward trajectory and move close to RBI’s upper band tolerance level.

The US bond yields and inflation uncertainties to drive the bond yields in near term

- The RBI in its recent policy kept the repo rate unchanged and maintained its policy stance at “Withdrawal of accommodation”. The banking system liquidity move to surplus during the month of January 2024 and in the near term, the liquidity condition is expected to stay tight.
- Headline inflation elevated to 5.69% in December 2023, but the core inflation is consistently falling. However, the elevated inflation in food index remains a cause of concern. The uncertainties in kharif production and rabi sowing present upside risk to the food inflation. The arrival of fresh crops is expected to ease some pressure in the food inflation and helps inflation to move to RBI’s target level.
- Net FPI inflow into debt is at the highest level after the announcement of India’s inclusion in JP Morgan’s global bond index. This robust FPI inflows into debt is expected to support G-Sec yields. The RBI could start rate cut when the inflation is expected to approach the target level of 4%.

Investment Strategy

- For the medium to long term, we have been advising to increase exposure to duration funds (5-10 year modified duration) including gilt funds. We are close to peak of interest rate upcycle and the policy rate could come down by 100-150 bps in the next 12-18 months. This would provide fairly decent high single-digit returns in the duration funds.

Gilt Funds

Gilt Schemes	AUM (In Crs)	YTM Dec-23 (%)	Macaulay Duration (Years)	Performance			
				6 Months	1 Year	2 Years	3 Years
Bandhan Government Securities Fund Investment Plan - Reg - Growth	1,466	7.5	10.2	2.7	6.6	4.2	3.3
Aditya Birla Sun Life GSec Fund - Reg - Growth	1,391	7.4	7.8	3	6.9	4.6	4.1
ICICI Prudential Long Term Bond Fund - Growth	664	7.5	7.3	2.6	6.6	4.4	2.7
Kotak Gilt Fund - Growth	2,984			3.4	7.2	5	3.9
(Performance as on 09 Jan 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
MID CAP	
Kotak	Kotak Emerging Equity Fund
Edelweiss	Edelweiss Mid Cap Fund
Mirae	Mirae Asset Mid Cap Fund
Small CAP	
ICICI	ICICI Prudential SmallCap 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
LARGE CAP	
Kotak	Kotak Bluechip Fund
ICICI	ICICI Prudential Bluechip Fund
MID CAP	
Kotak	Kotak Emerging Equity Fund
Edelweiss	Edelweiss Mid Cap Fund
Mirae	Mirae Asset Mid Cap Fund
Small CAP	
ICICI	ICICI Prudential SmallCap Fund
HDFC	HDFC Small Cap Fund
Gilt & Dynamic bond	
Kotak	Kotak Gilt Fund – Growth
ICICI	ICICI Prudential All Seasons Bond Fund - Reg - Growth

Portfolio Composition

Large Cap 40%	Gilt & Dynamic Bond 40%	Mid & Small Cap 20%
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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
Corporate Bond & Short Duration	
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
Gilt & Dynamic Bond	
Kotak	Kotak Gilt Fund – Growth
ICICI	ICICI Prudential All Seasons Bond Fund
Dynamic Asset Allocation	
ICICI	ICICI Prudential Balanced Advantage Fund
Edelweiss	Edelweiss 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
Dynamic Asset Allocation	
ICICI Prudential	ICICI Prudential Balanced Advantage Fund - Reg - Growth
HDFC	HDFC Balanced Advantage Fund - Growth
Edelweiss	Edelweiss Balanced Advantage Fund - Growth
Equity Savings	
Mirae Asset	Mirae Asset Equity Savings Fund - Reg - Growth
HDFC	HDFC Equity Savings Fund - Growth

Reasons to select SWP option than dividend option to get regular income		
	SWP	Dividend
Withdrawal Amount	Regular income amount is Fixed	Dividend amount is not fixed
Flexibility	Investor can change in regular income amount at any time	Dividend frequency is at the discretion of the fund house
Taxation	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
Thematic Funds		
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
ICICI Prudential Pharma Healthcare and Diagnostics Fund	To generate long-term capital appreciation by creating a portfolio that is invested in Equity and Equity related securities of pharma, healthcare, hospitals, diagnostics, wellness and allied companies.	Very High
Sectoral Funds- Infrastructure		
ICICI Prudential Infrastructure Fund	Invest predominantly in equity and equity related securities of companies belonging to the infrastructure.	Very High
Flexi Cap Funds		
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

Investor

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

Scheme Name	Category	Corpus (In crs.)	1 Year	3 Years	5 Years
ICICI Prudential Manufacturing Fund - Reg – Growth	Thematic	1,815	47.0	30.3	22
UTI Transportation and Logistics Fund - Growth	Thematic	2,596	39.2	23.8	16
ICICI Prudential Pharma Healthcare and Diagnostics Fund - Reg - Growth	Thematic	3,361	44.6	15.4	22.9
ICICI Prudential Infrastructure Fund - Growth	Sectoral-Infra	3,693	45.5	38.8	24.8
HDFC Flexi Cap Fund - Growth	Flexi Cap	42,271	30.8	26.6	19
Franklin India Flexi Cap Fund - Growth	Flexi Cap	12,802	31.5	22.7	18.3
(Performance as on 09 Jan 2024)					

MUTUAL FUND MODEL PORTFOLIOS | Go Global Basket

Scheme Name	International Allocation as per Dec-23 Portfolio	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		
SBI International Access - US Equity FoF	100%	The scheme seeks to provide long term capital appreciation by investing in units of one or more mutual fund schemes / ETF, which are domiciled overseas and predominantly invest in US markets	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	16%	Investing in diversified portfolio comprising primarily of MNC companies.	Very High		
Scheme Name		Corpus (In crs.)	1 Year	3 Years	5 Years
International Schemes					
ICICI Prudential US Bluechip Equity Fund – Growth		2,807	25	12.8	17.5
Mirae Asset S&P 500 Top 50 ETF Fund of Fund - Reg – Growth		444	36	--	--
SBI International Access - US Equity FoF - Reg – Growth		827	24	--	--
MF Schemes with International Allocation					
Axis Growth Opportunities Fund - Reg - Growth		10,396	33.9	19.1	20.5
SBI Magnum Global Fund - Growth		6,515	23.2	16.1	15.7
(Performance as on 09 Jan 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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