INVESTMENT STRATEGY

MUTUAL FUND PORTFOLIOS

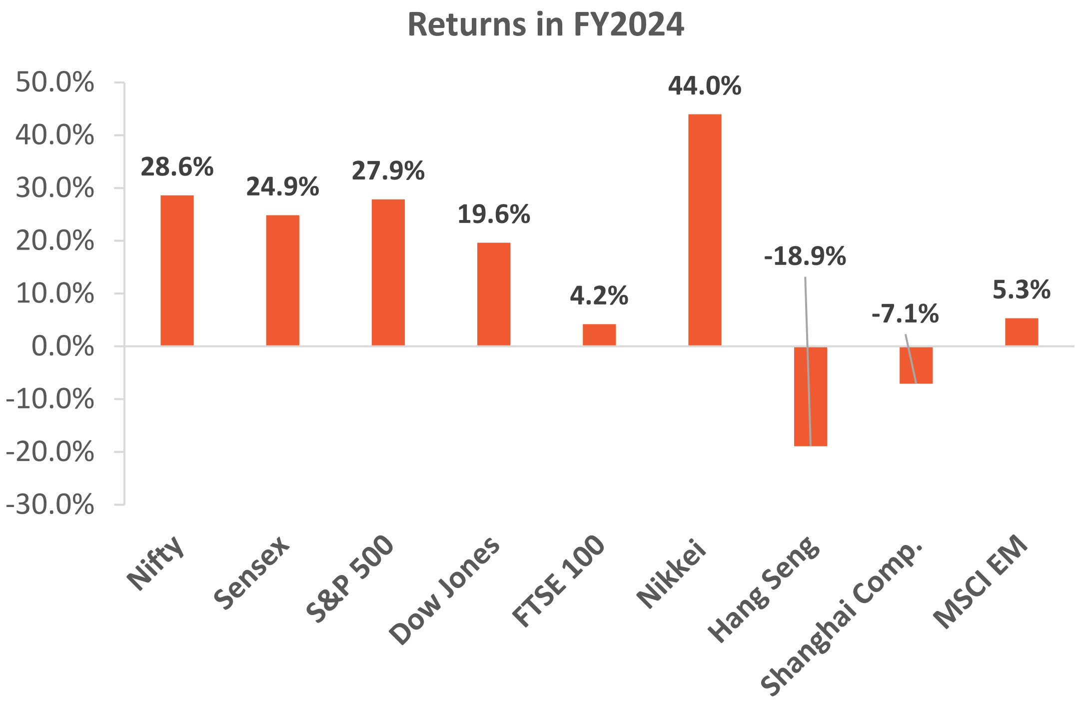
June 2024

June 2024

Equity Market Outlook

India outperforms most major global equity markets

- India remained one of the best markets in FY2023 and FY2024 among global markets and has been outperforming many of its peers convincingly for the past couple of years.



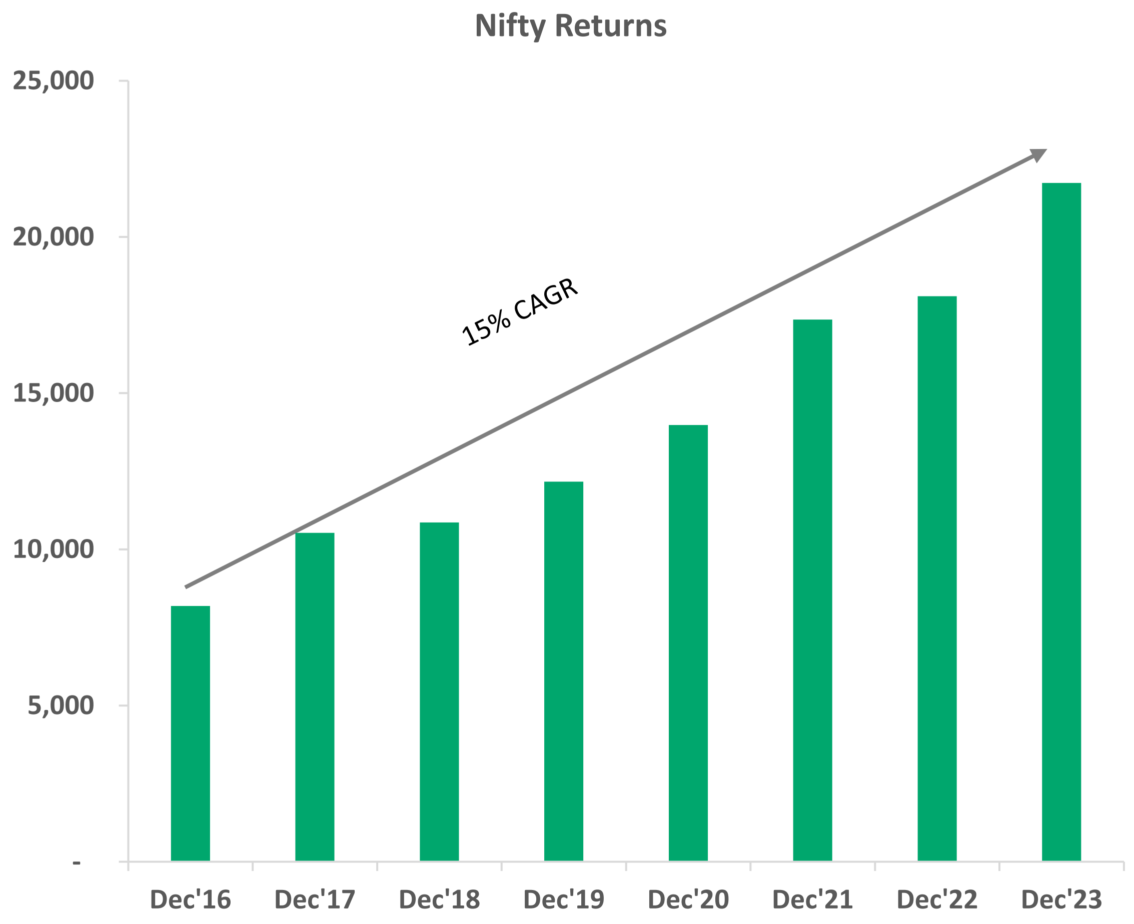
Source: Sharekhan Research

Nifty: Healthy Returns despite major events in India and Globally

CY2016-2023 (Eight 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
- Israel-Palestine conflict



Source: Bloomberg, Sharekhan Research

Indian Economy

Primed for multi-year upcycle

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

Already firing and aiding economy for last couple of years

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).

Corp capex and likely boost in consumption to sustain growth

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 aid expansion plans
- Intensity of corporate capex doubled in the range of Rs 24-26 trillion vis-à-vis five years back

CONSUMPTION

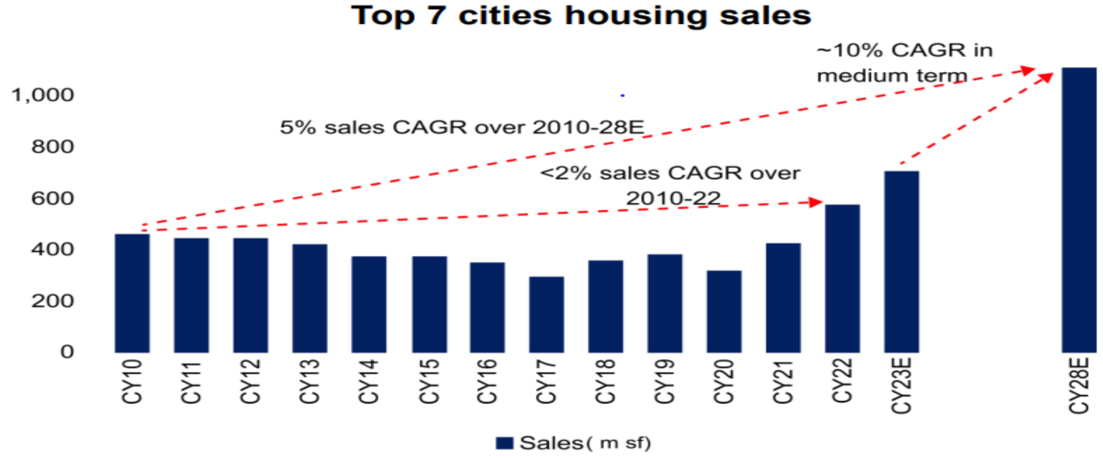
(Multi-fold growth potential)

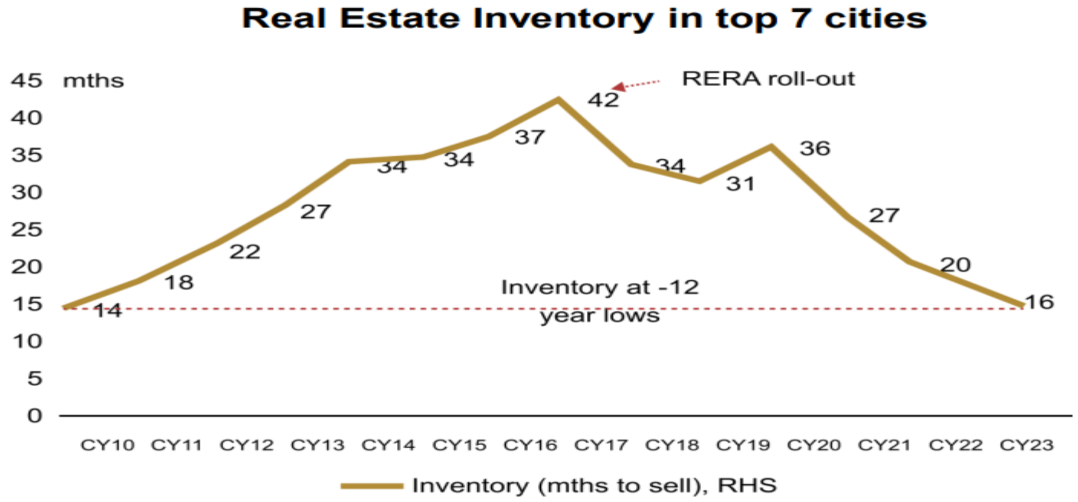
- Given the cost of living in India, Discretionary Spendingto see Substantial Growth once the Per Capita income crosses $ 2,000
- China's per capita income grew by ~5 times; once it crossed the $2,000 mark in year 2006

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

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

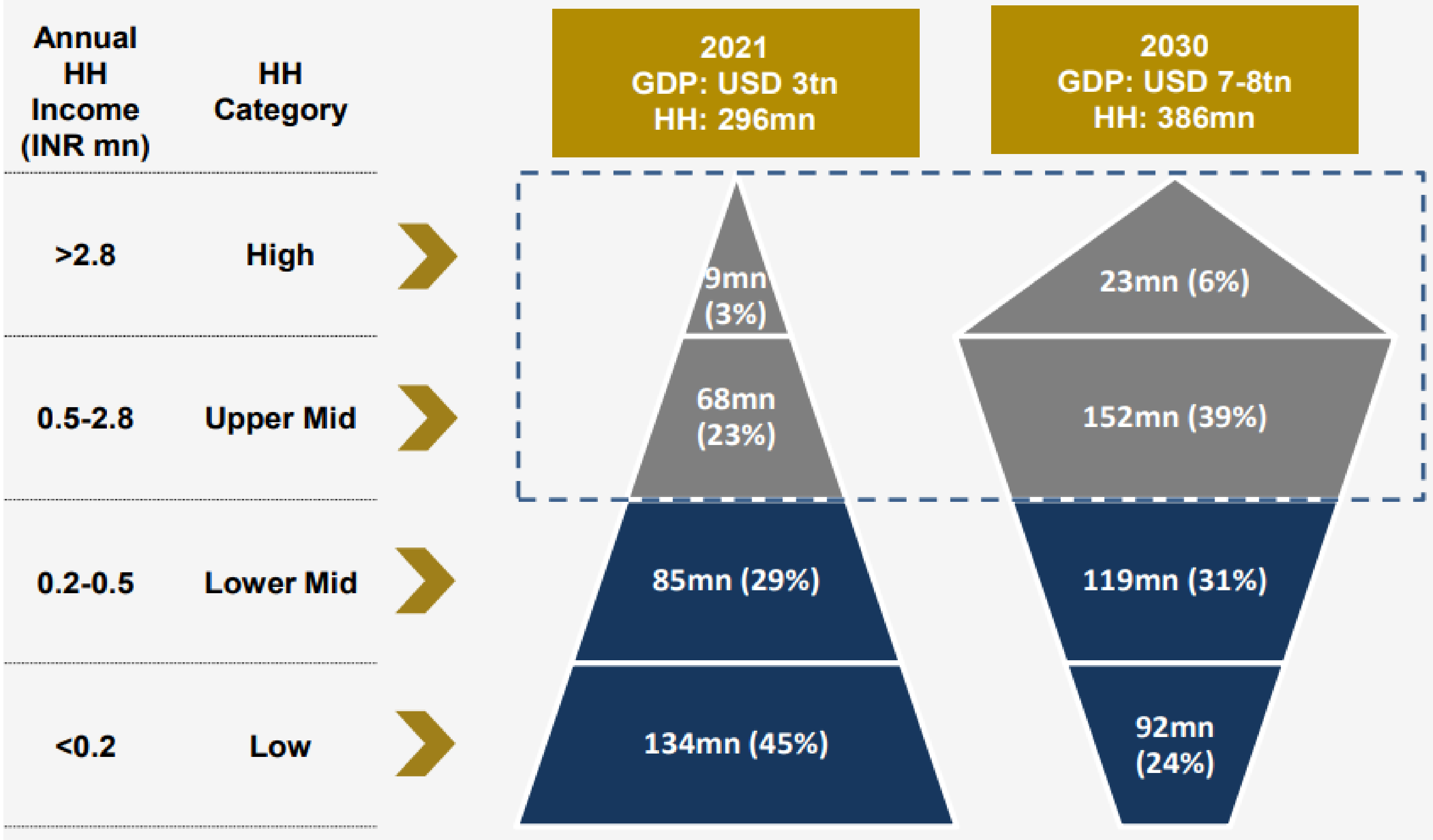
GDP Growth	**USD ~3tn** FY22	**USD ~7-8tn** FY31	**~2.5x** FY22-31
Real Estate Contribution to GDP	**6-7%** FY22	**13-15%** FY31	**Doubling of contribution** FY22-31
Real Estate Industry Size	**USD 200bn** FY22	**USD ~1tn** FY31	**~5x (20% CAGR)** FY22-31



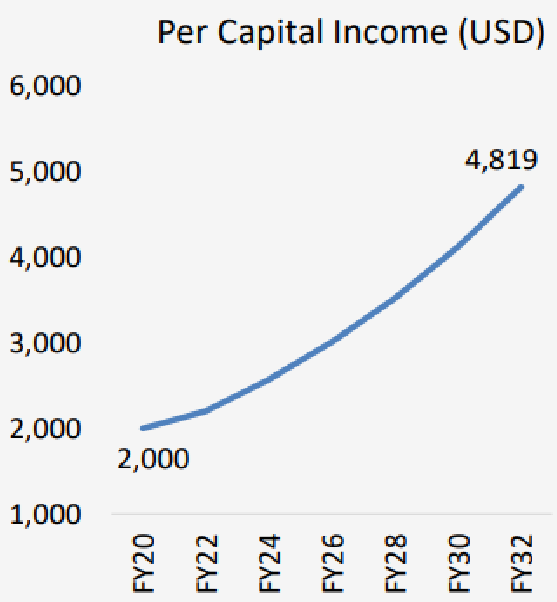


Source: Macrotech Developers; Industry Reports; Sharekhan Research

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



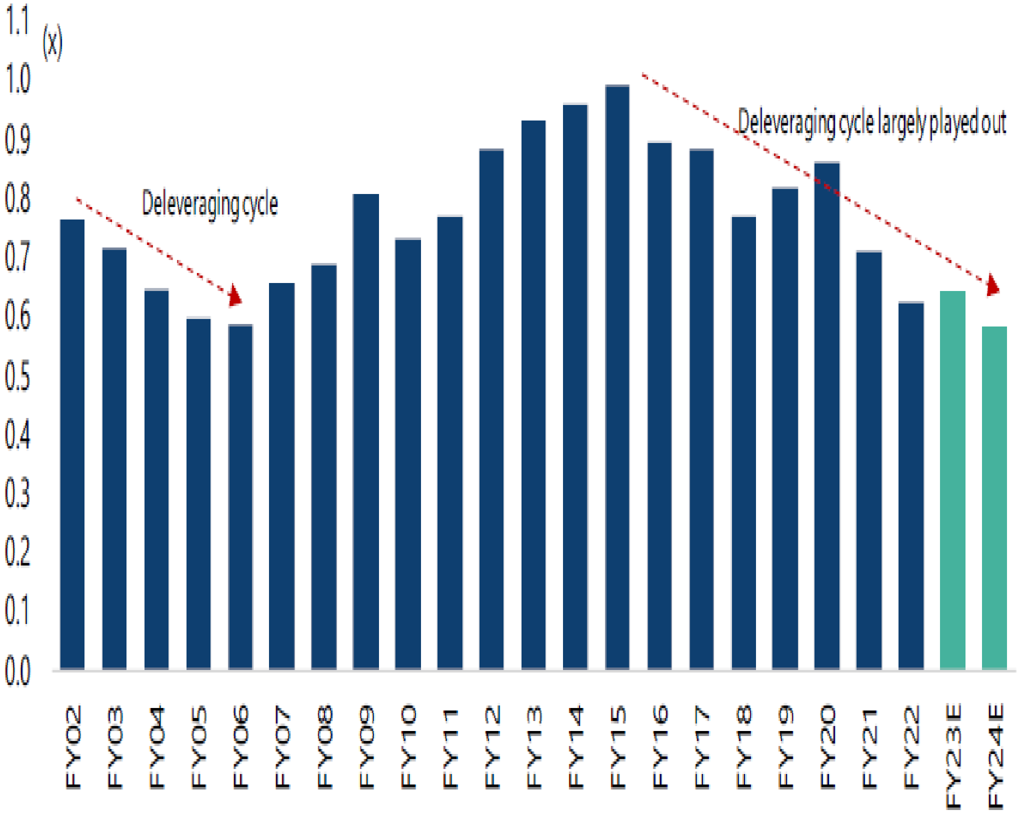
Per capital income seen rising ~2.5x over FY20-32

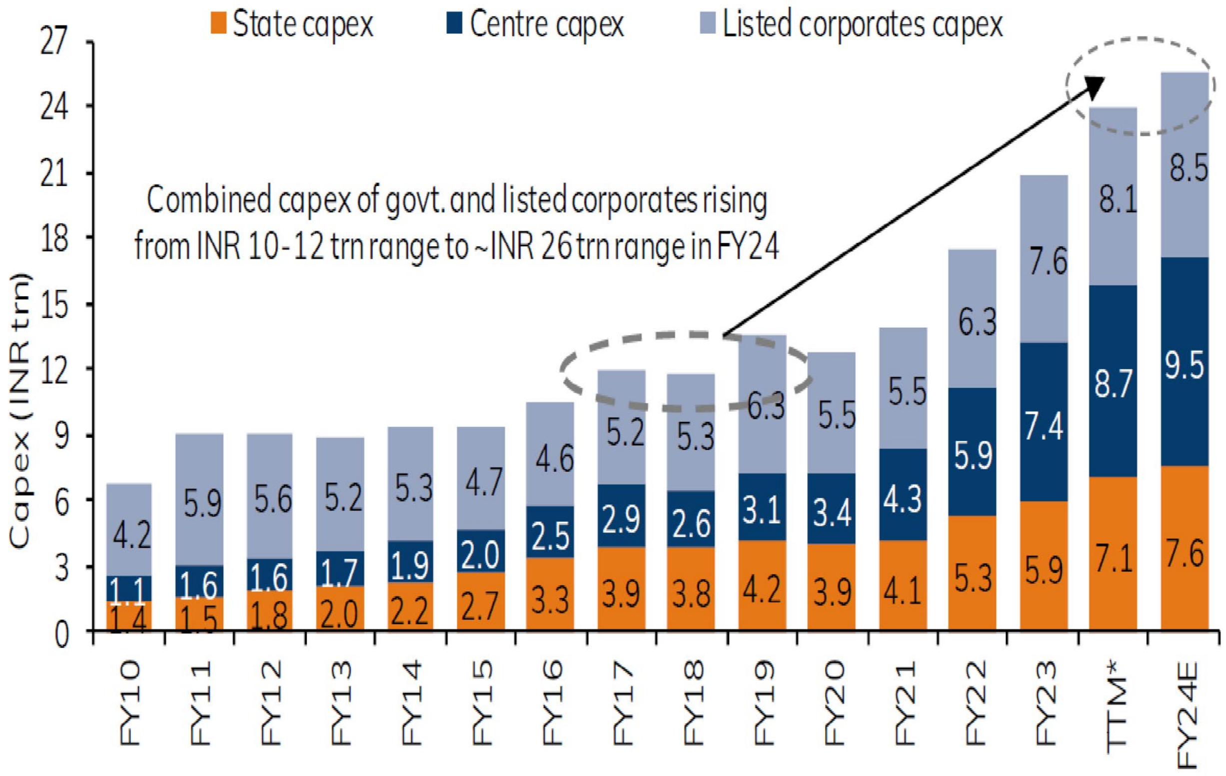


Source: Macrotech Developers; Sharekhan Research, HH - Households

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

- Visible revival in private capex and sustained pick up in govt capex bodes well. A 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 de-leveraging and bank balance sheet back in shape to support expansion plans



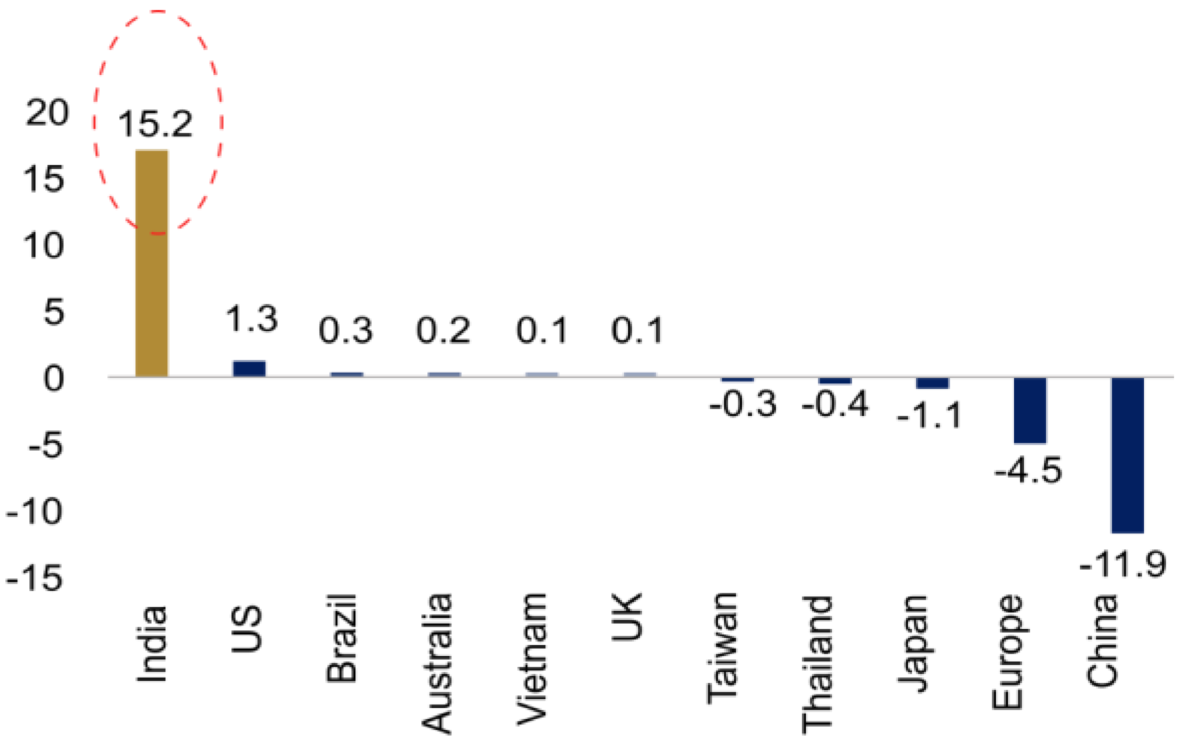


Source: Industry Reports, Sharekhan Research

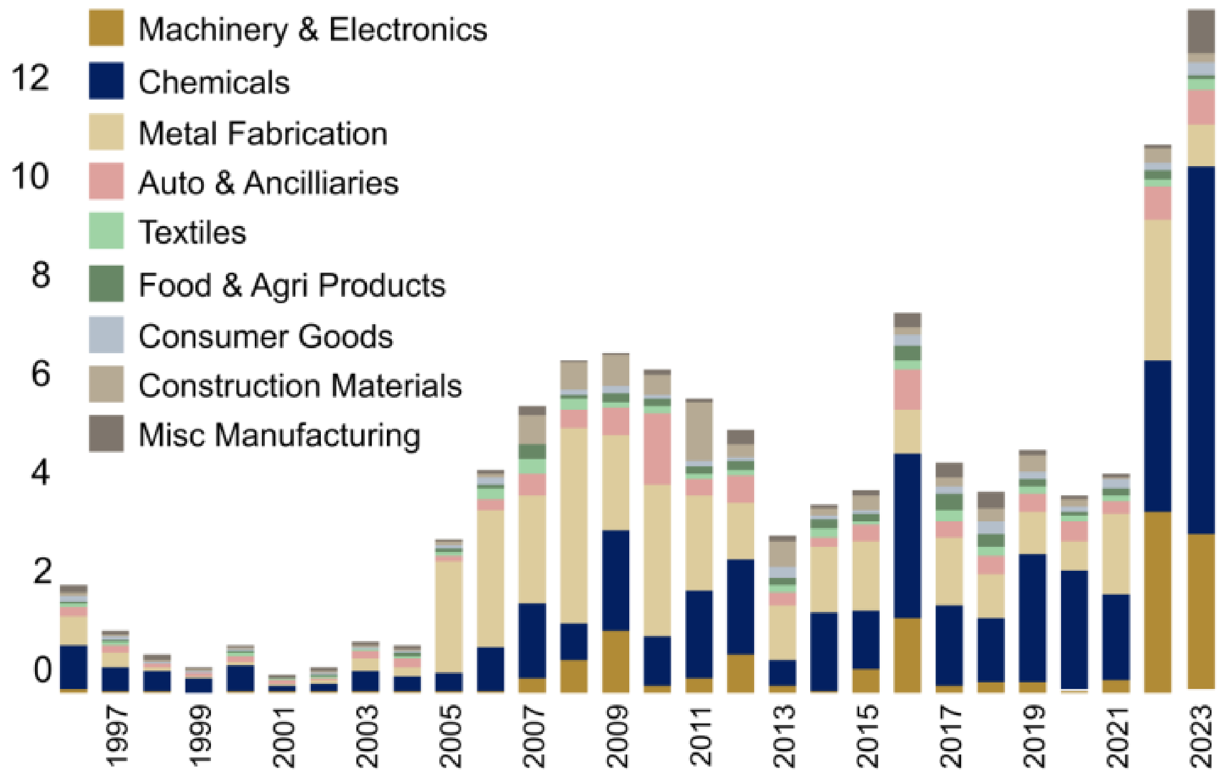
Manufacturing: India to become factory to the world by 2045…

India outpacing world by adding over 15 crore to its working population by 2045 offers it an edge and it may propel India to become manufacturing hub of the world

Addition in 30-60 yrs age bracket by 2045 (in cr)



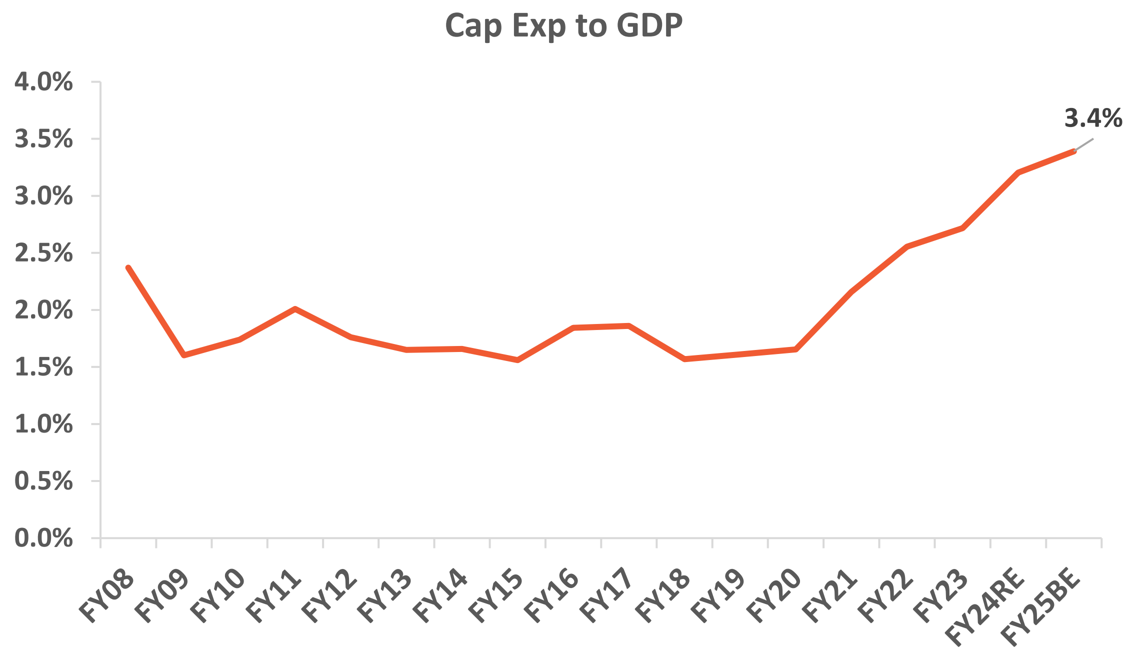
New projects announcements in manufacturing have taken off sharply

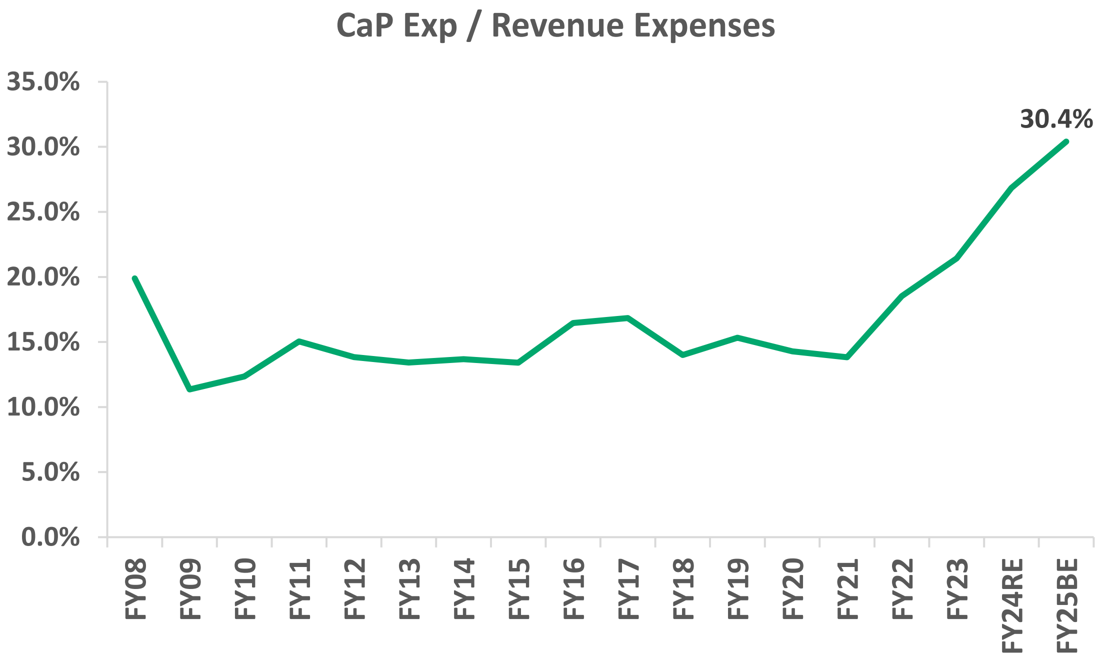


Source: Industry Reports, Sharekhan Research

Budget: Quality of spendings matters a lot in the long run…

- Importantly, capex to GDP at 3.4% and capex to revenue expenses at 30.4.6% doubled from FY19 levels. This shows quality of investments, which can have far-fetched impact on economy in future.
- The multiplier effect of such high capital expenditures to result in sustainable economy growth and corporate earnings.

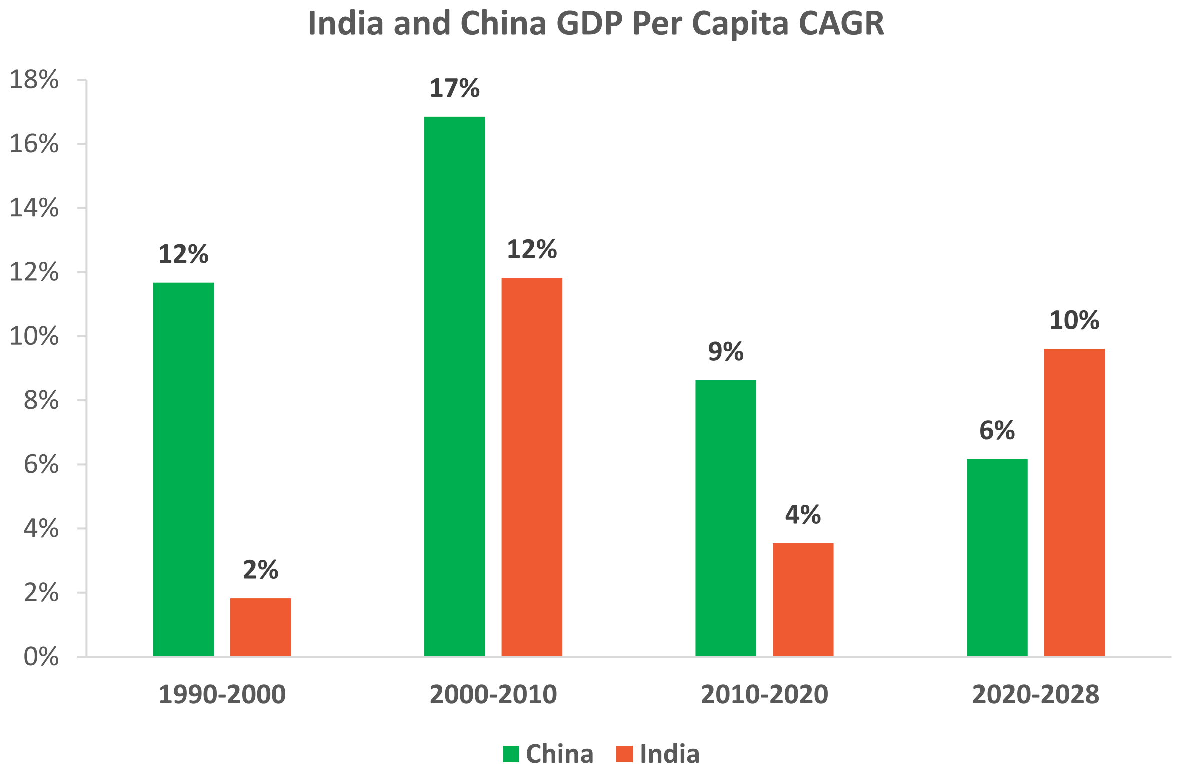


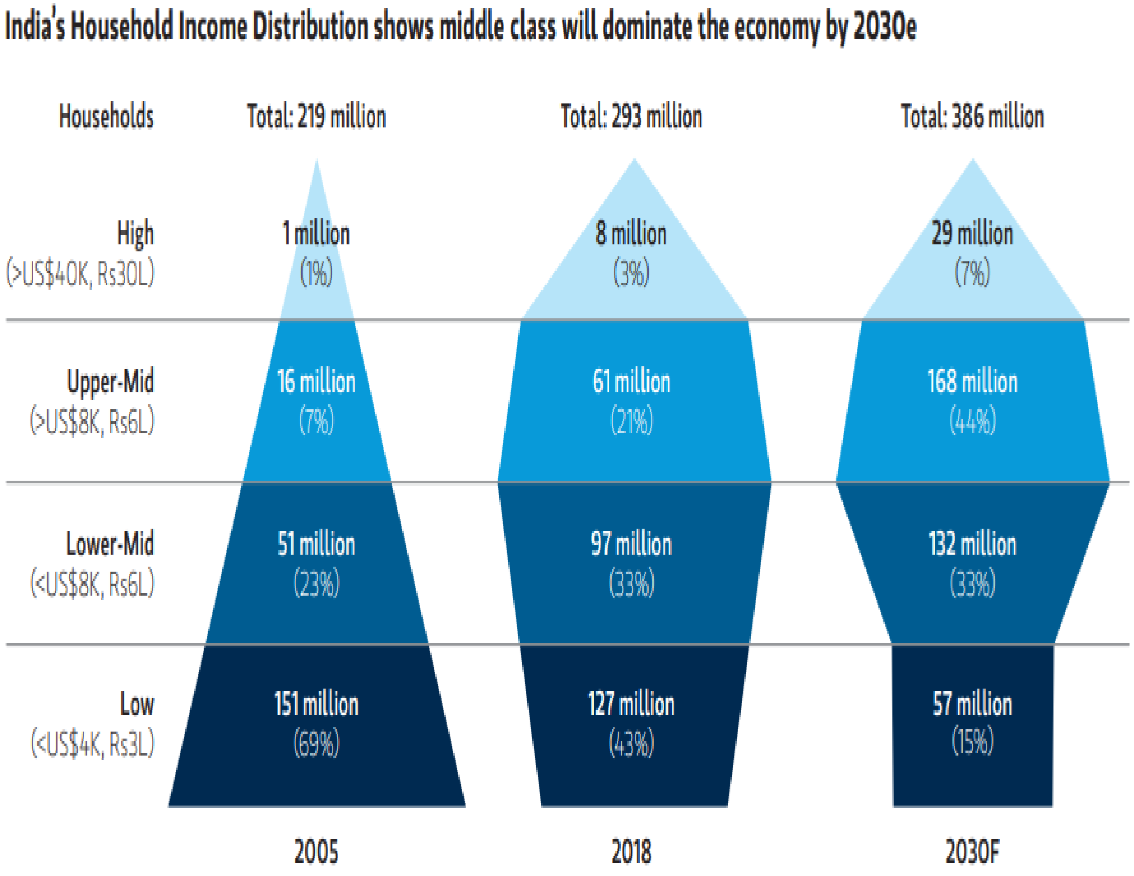


Source: Budget Document, Sharekhan Research

Consumption: Multi-fold growth potential is imminent

- As India is expected to record double digit growth with outpacing China in next decade (first time after 1991 economic crisis), consumption potential in India is at inflexion point and is likely to see sharp rebound in subsequent years with India is expected to reach ~$4000 GDP per capita in 2028 (as per the IMF).



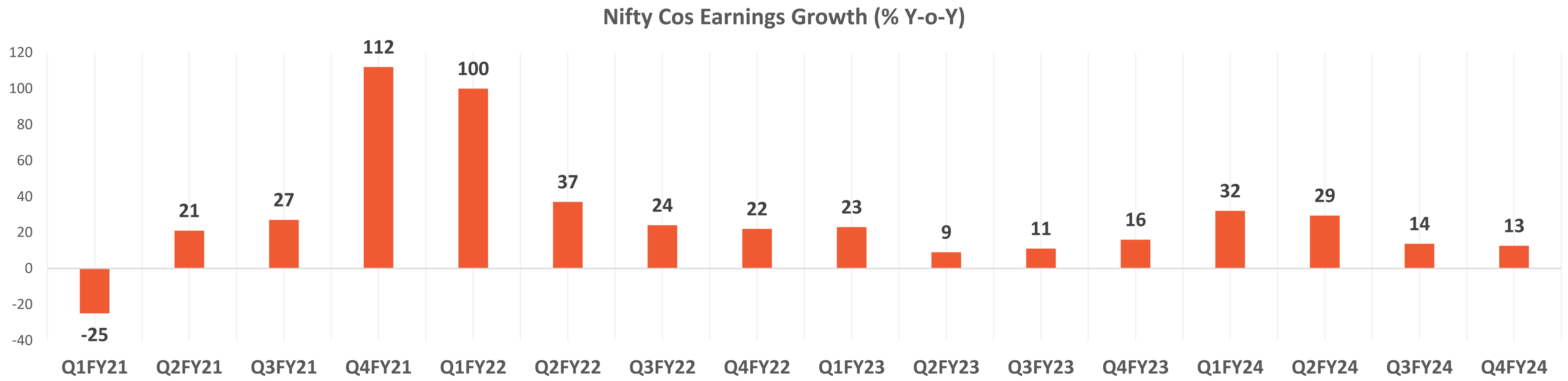


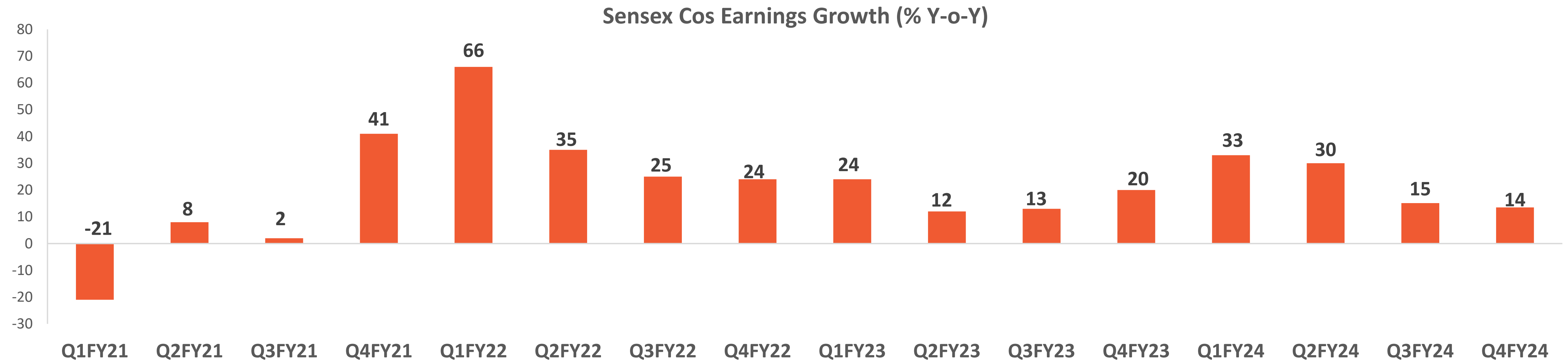
Source: IMF, WB and Industry Reports

Corporate Earnings

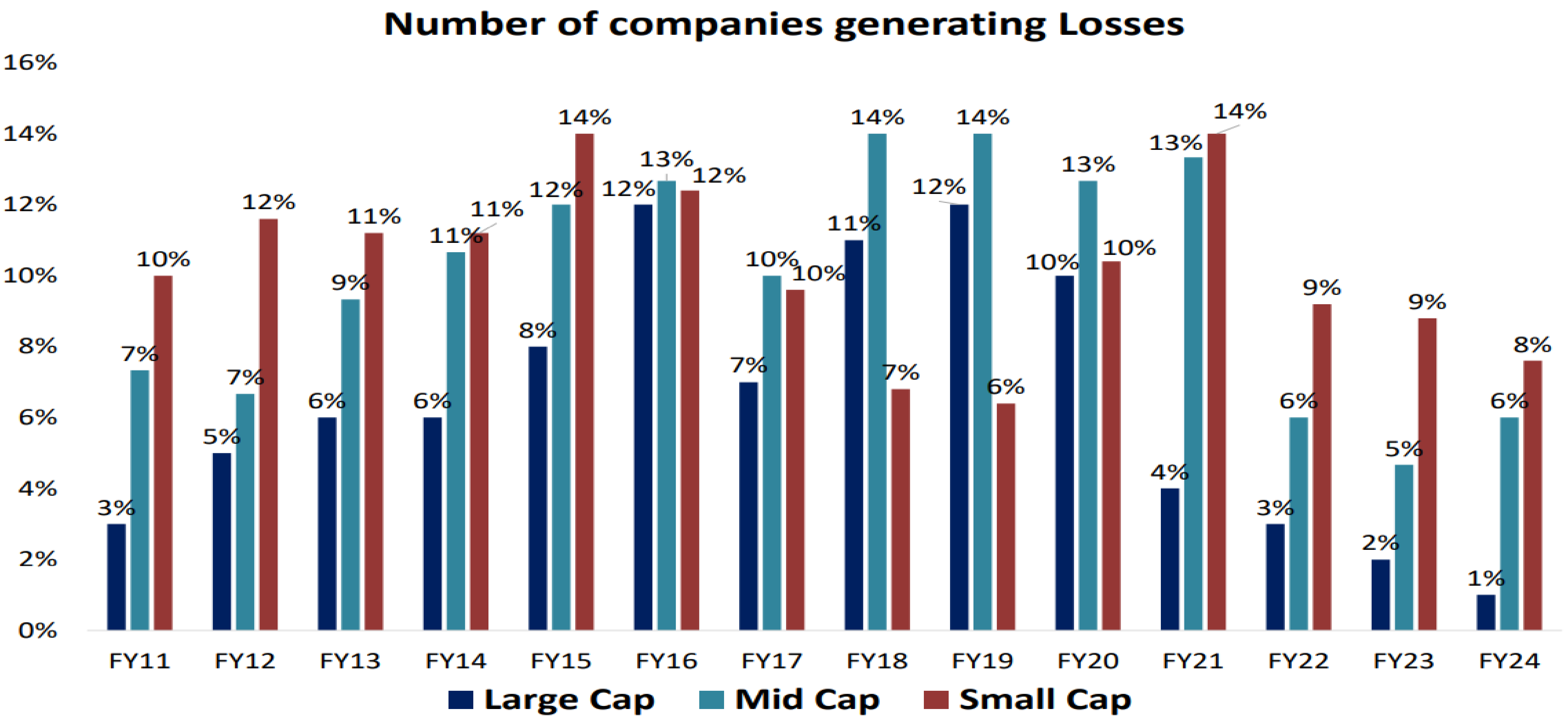
Double-digit earnings despite rate hikes

Nifty & Sensex: Strong Earnings Growth for 15 Quarters Now!



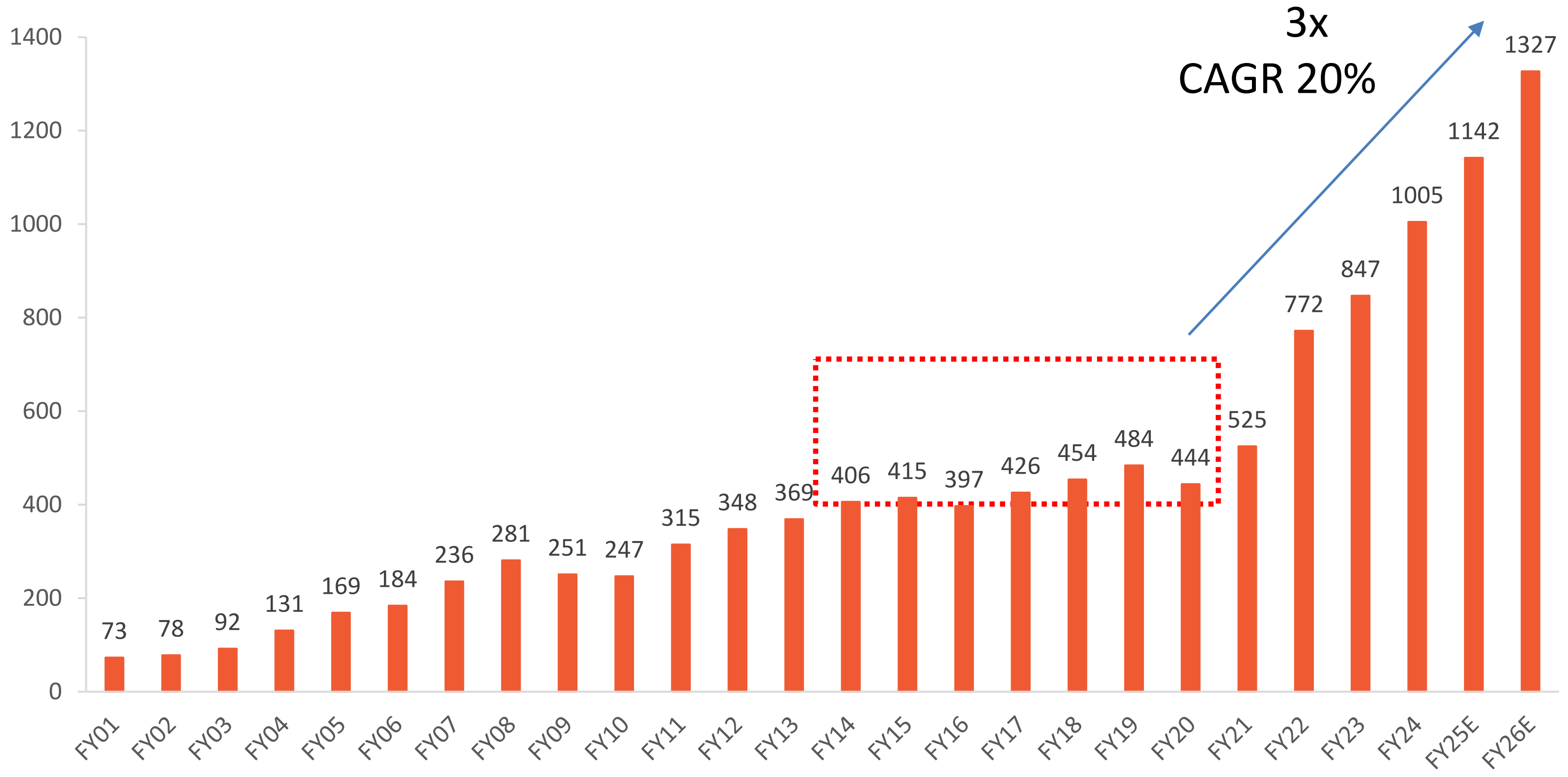


A sharp drop in companies generating losses vindicates robust earnings trajectory



Corporate Earnings: Nifty EPS on a high growth trajectory

Nifty EPS: Consensus estimates suggest 3x surge in Nifty EPS during FY2020 to FY2026 after a long period of muted growth in earnings of Nifty companies (FY2014-2020).



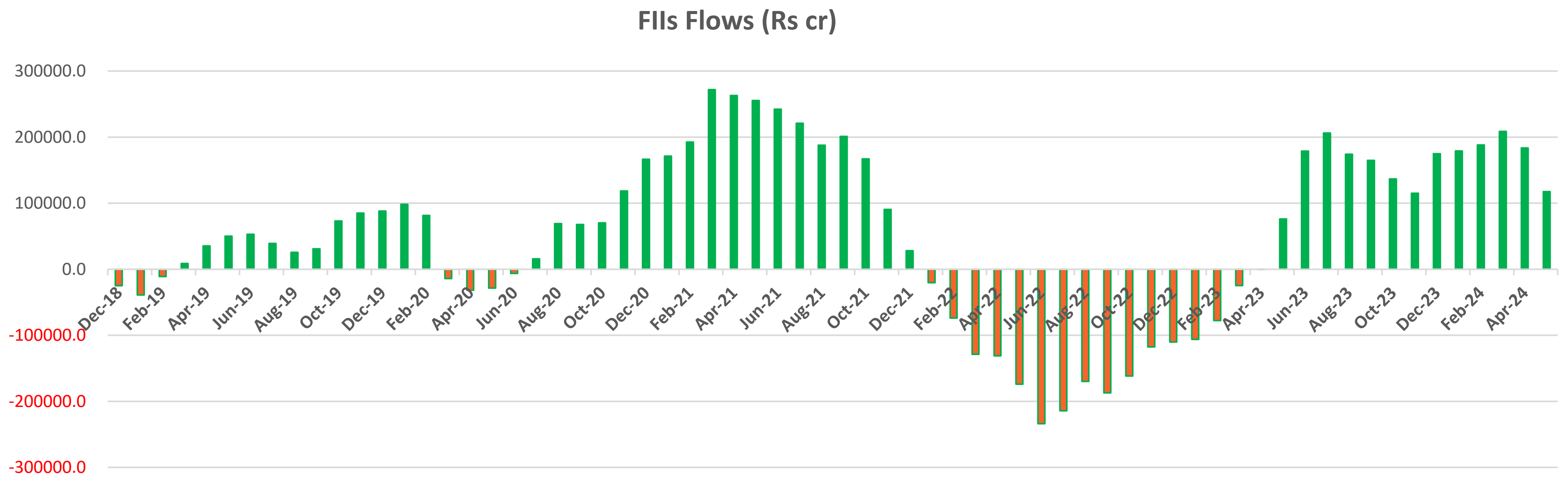
Source: Company; Sharekhan Research

Indian Equities

Can’t be ignored by serious investors anymore

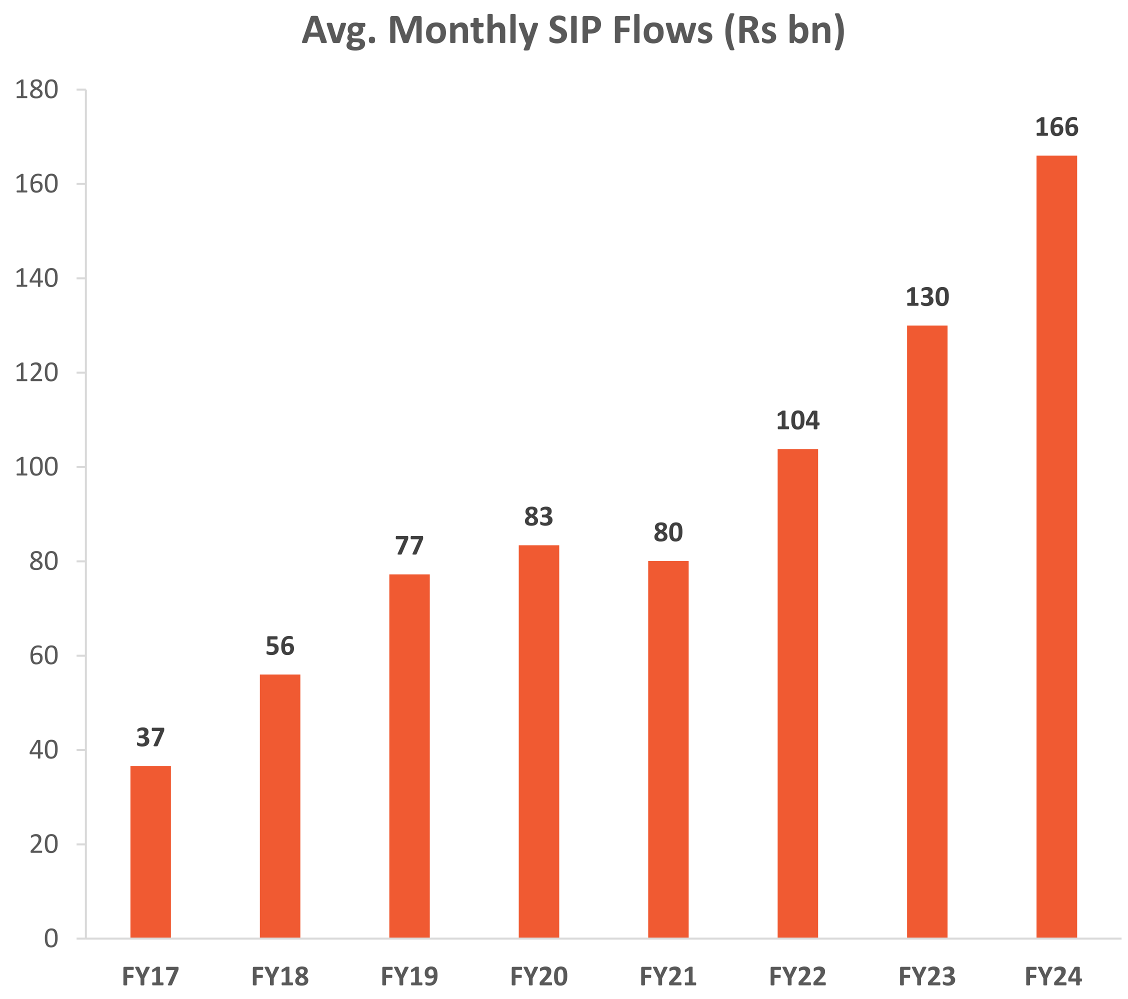
FII flows: Can be volatile & unpredictable but 12-month rolling trend is a good indicator

- 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 along with a broad improvement in macros for India indicates current trend to sustain in the subsequent period.

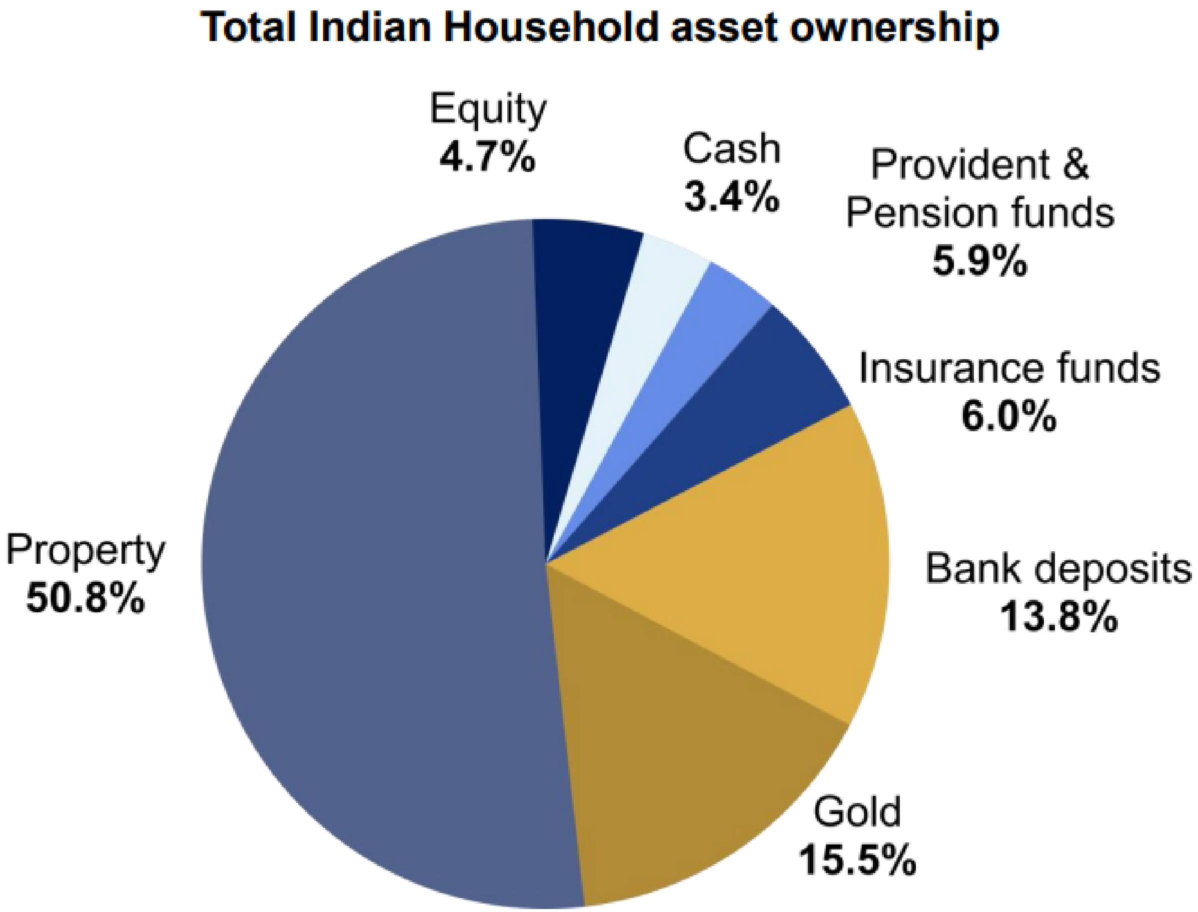


Source: Bloomberg, Sharekhan Research

Improvement in SIP flows to remain visible as equity penetration is still low in India



Source: AMFI, Sharekhan Research

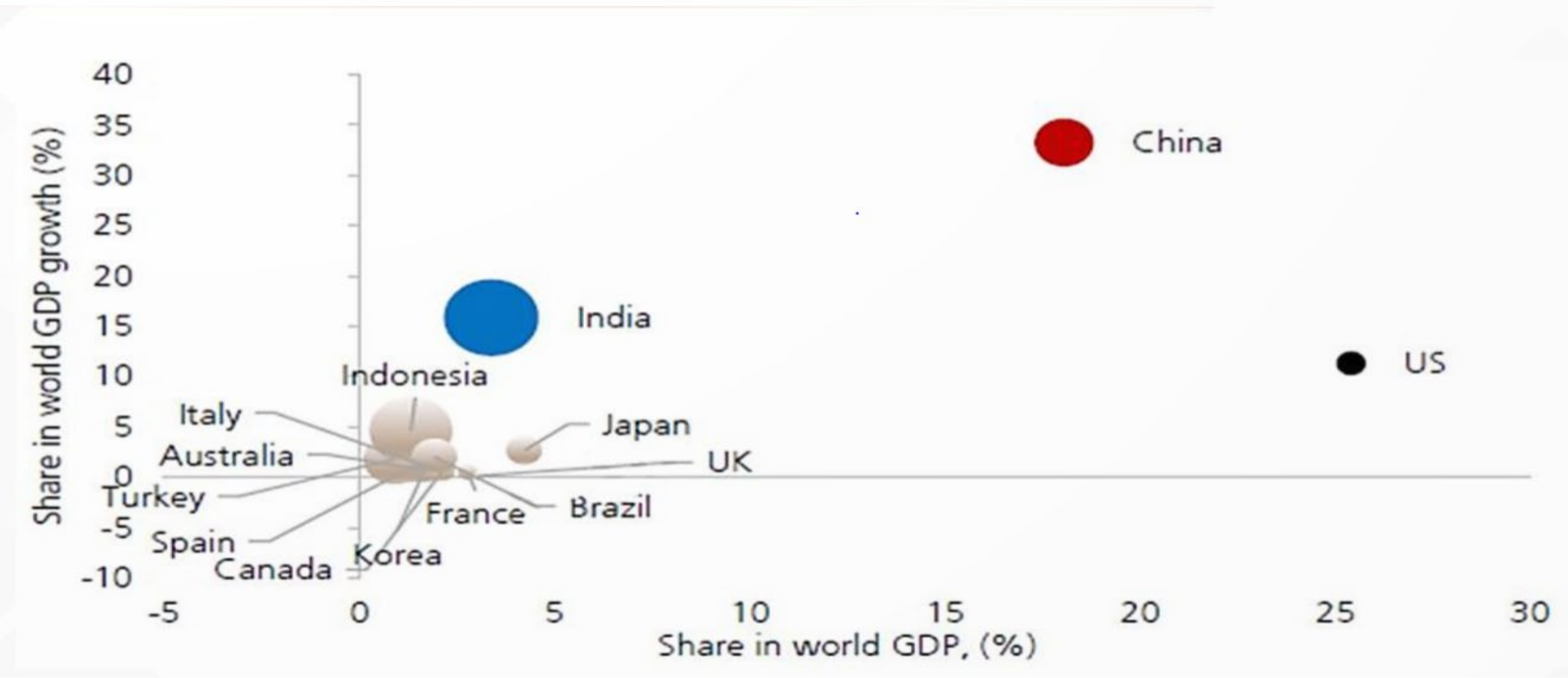


India: Fastest growing large economy globally in CY2023/CY2024

(Real GDP, annual percent change)	2022	PROJECTIONS 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'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 FII flows.



Source: Industry Report, Sharekhan Research

Sharekhan by BNP PARIBAS

A Structural Bond Market on anvil

Bodes well for economy and equities too

India is on firm footing to see a structural bond market like never before

We analyze four key factors ensuring a likely structural market for India Bonds

Favourable macro-economic dynamics

CAD: $5 billion odd a month. A pick-up in net services trade surplus over the past 3 years to sustain and keep CAD lower on a sustained basis

Fiscal Deficit: On track to achieve 4.5% target in FY26 aided by steady tax collections and improvement in quality expenditures

Inflation: Govt's proactive supply side mgt and better crop productivity aided by favourable monsoon to keep it under control

Size and scale

India is already the 5th largest economy soon to hopefully be 3rd over a reasonable forecast horizon. This is now too large for global investors to ignore.

Bond index inclusion

Index inclusion is just the nudge needed for global fixed income investors to set up apparatus for taking exposure to India fixed income

De-premiumization of Dollar assets

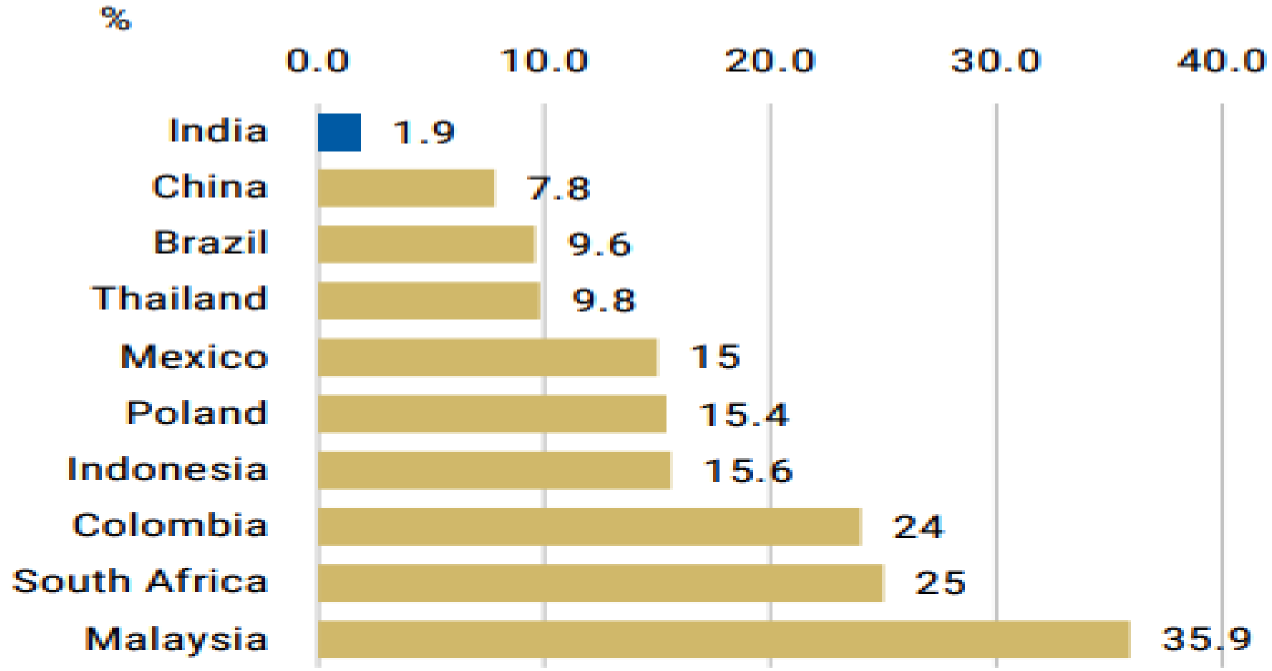
Over 6% fiscal deficit (higher than GDP growth), narrowing of bond yield spreads between USA and others, sudden rise in gold demand by global central bankers, among others justify de-premiumization of USD and promote bond diversification

Source: Sharekhan Research

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 US$ 25-30 bn. This will result in Rupee stability and low cost of funding for India.**

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



Source: Industry Report

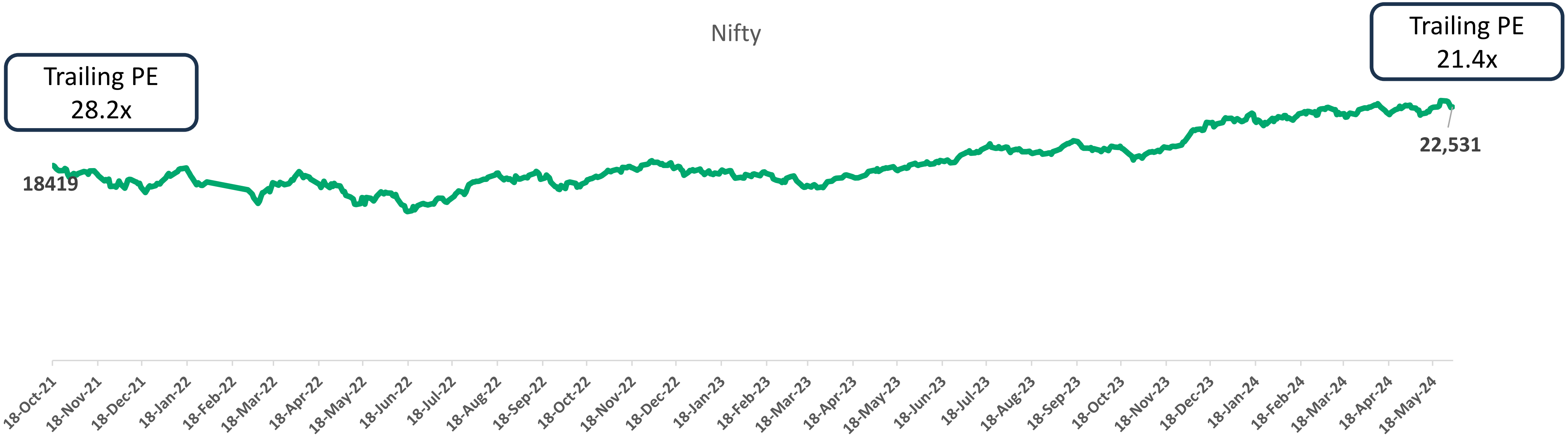
Valuation

Not cheap anymore but not also anywhere close to euphoric levels too

Nifty witnessed sharp upmove in FY24, but valuations nowhere close to all time high

	Oct-21	May-24
Nifty EPS	582	1020
GST Collections (Rs. bn)	1300	1734
Credit Growth (%)	6.3	20.2
Manufacturing PMI	55.9	57.5
Services PMI	58.4	60.2

	Oct-21	May-24
CPI (%)	4.48	4.83
WPI (%)	13.83	1.26
10-year G-Sec Yields (%)	6.4	6.98
Brent Crude ($/bbl)	84.4	80.9
Fiscal Deficit (%)	6.4	5.8

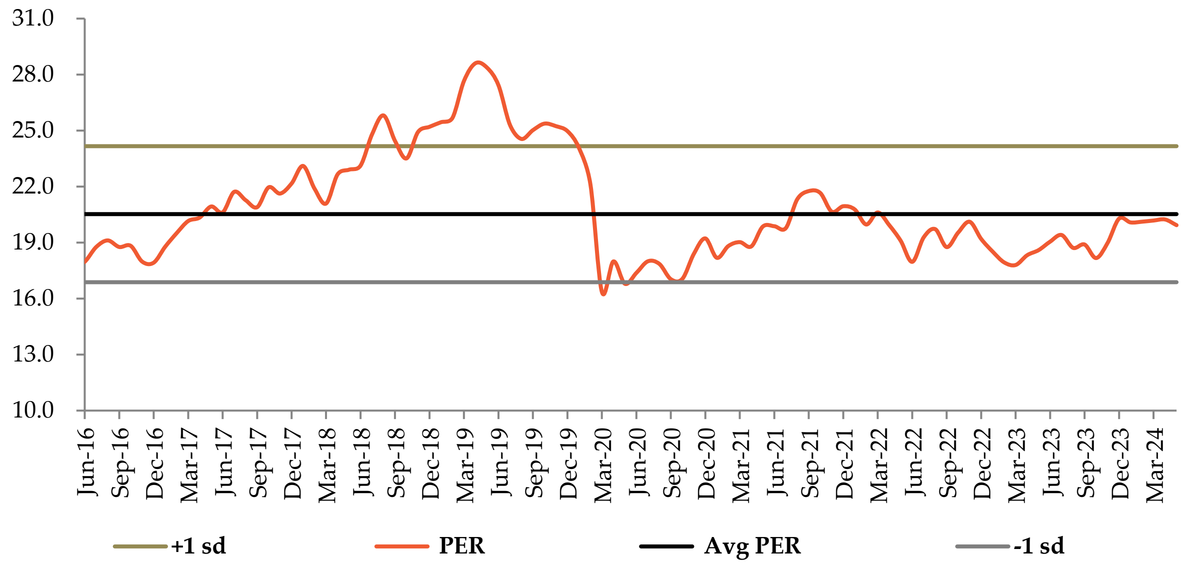


Source: Bloomberg, Sharekhan Research

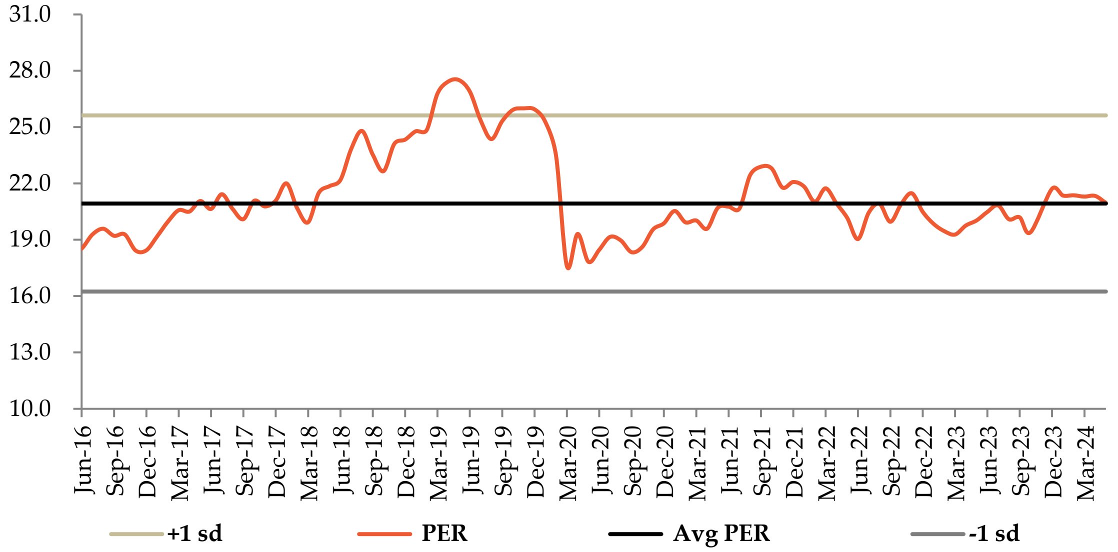
Valuation: Not cheap anymore; sound earnings outlook to aid premium valuations

- Nifty trades at 20.4x and 18.5x of FY25E and FY26E earnings, respectively, which is a mostly at par to modest premium vis-a-vis long-term average multiples.
- However, premium of single majority stable government might see some readjustments.

One-year forward PE chart of Nifty



One-year forward PE chart of Sensex



Source: Bloomberg; Sharekhan Research

India premium on Mcap to GDP is justified given higher growth rate

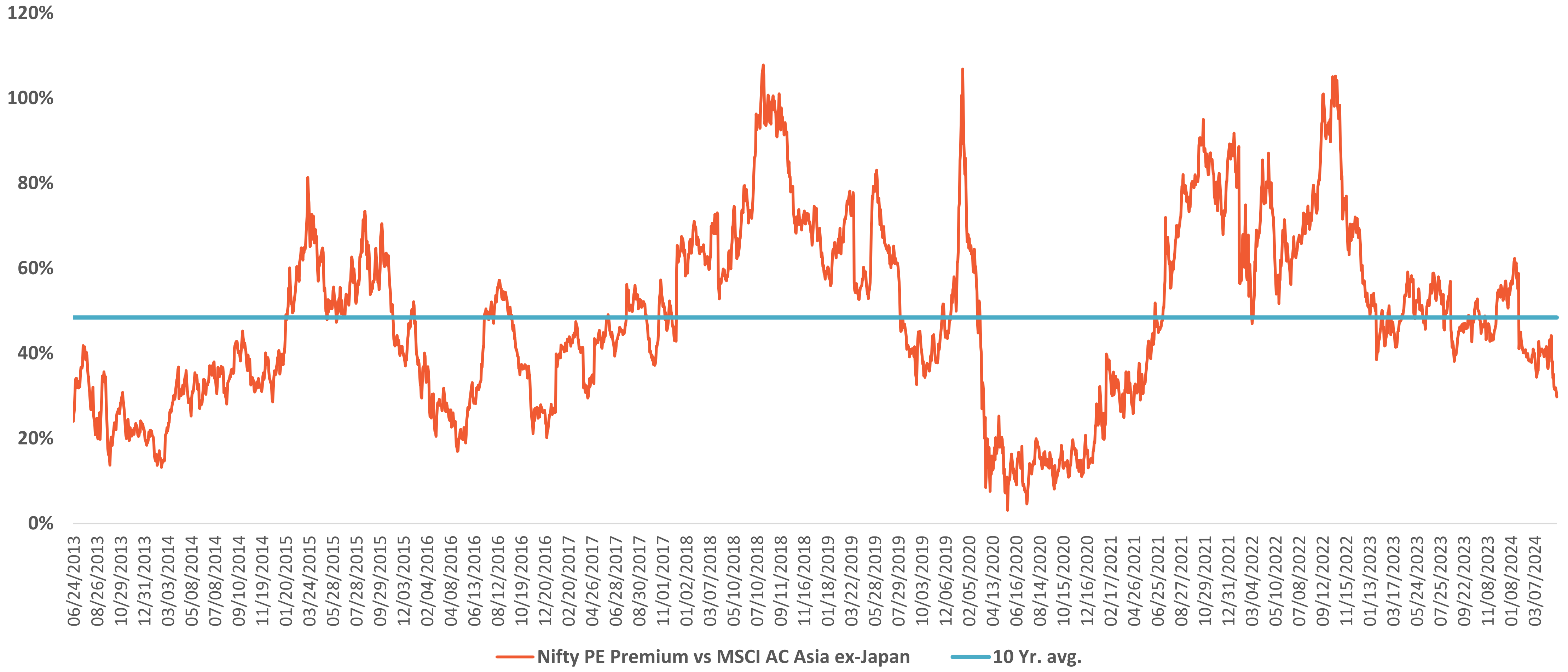
- A comparison with global key peers shows that India (on M-Cap to GDP ratio) trades at significant premium to most nations barring the US and Taiwan.
- We believe this is justified and 2-16x of GDP growth of peers. Further, an improved visibility of India becoming US$ 10-trillion economy by 2035 itself reflects healthy and better than peers' growth over the long run. This essentially indicates that a widening premium cannot be ruled out.

Global comparison of M.cap to GDP ratio vis-à-vis GDP growth

Countries	M.cap to GDP	Real GDP Growth
US	189%	2.70%
Japan	154%	0.90%
UK	93%	0.50%
Germany	50%	0.20%
Taiwan	279%	3.10%
China	58%	4.60%
South Korea	102%	2.30%
India	130%	8.20%

Source: Industry; Sharekhan Research

Nifty PE premium to MSCI AC Asia (ex-Japan) trades at par of historical avg.



Source: Sharekhan Research

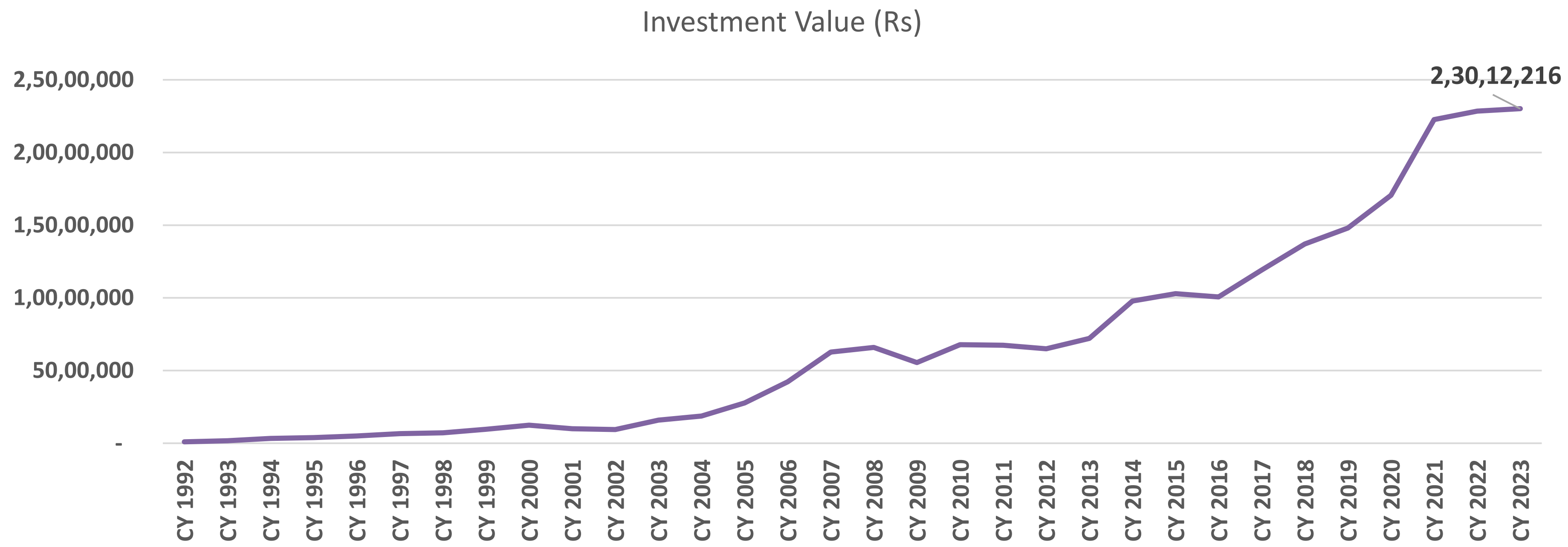
Timing the market

Time spent in market is more important than timing the market

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**

Rs 1 lakh investment at market's top of every year since 1992



Source: Sharekhan Research

Big Opportunity: Multi-year economic upcycle in India

- The benchmarks, Nifty/Sensex, seem to have slipped into a consolidation zone of 800-1000 points. It is always good if markets get time to take a breather and absorb the gains of the recent rally. Generally, there is sector rotation as well during the consolidation phase and gives time to investors to readjust the portfolio.

- The quarterly results season turned out to be a mixed bag. The IT services companies have disappointed and the outlook is also quite muted. Other spaces such as speciality chemicals and signs of a slowdown in discretionary consumption has also led to cut in earnings estimates in many stocks. On the other hand, banks have done quite well and companies in core sectors like cement, auto among others.

- Elections are done & dusted. The ruling party is back in the driving seat though with the help of partners this time around.

- Election-related volatility was short lived and fundamental have come to fore again. Hence, it is once again proven that investors need not worry too much about short term event and should focus on the **BIG PICTURE** of multi-year growth upcycle in the Indian economy & corporate earnings.

- Stay invested in 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 US and India is key potential trigger for markets.

DEBT/ FIXED INCOME UPDATE & OUTLOOK

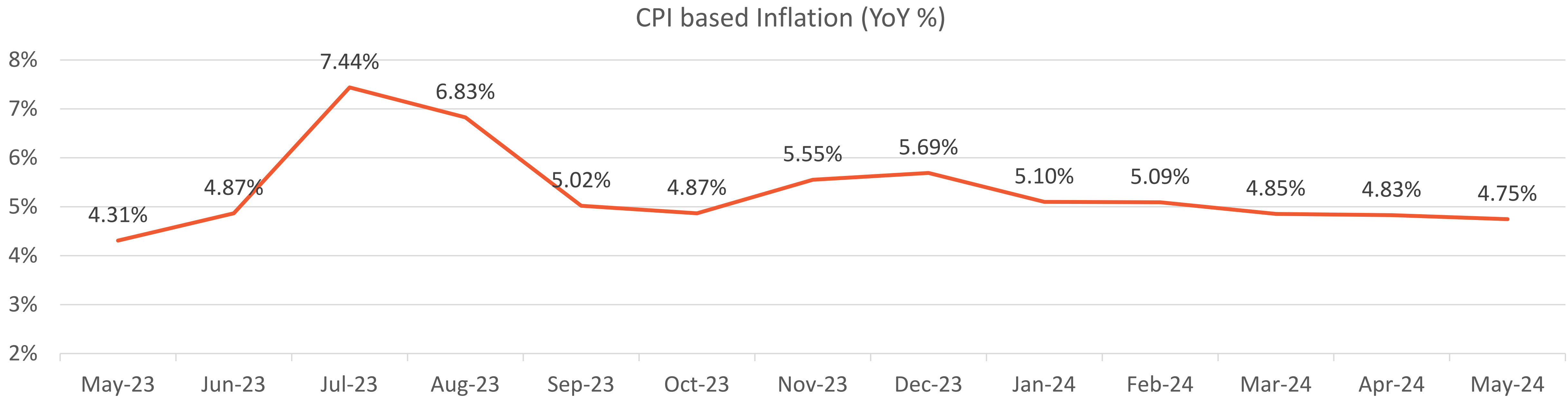
RBI monetary policy: Focus to align inflation to the target on durable basis

The MPC maintained the policy repo rate at 6.5% with a 4:2 majority. The committee has also maintained stance at focused on withdrawal of accommodation with same majority to ensure that inflation progressively aligns to the target while supporting growth. The current moderation in inflation achieved without hurting the growth but the committee remain vigilant to any upside risks to the inflation particularly from food inflation.

Key Highlights

- The MPC kept the policy Repo Rate unchanged at 6.50% for the 8th 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 committee has also maintained stance at focused on withdrawal of accommodation with 4:2 majority to ensure that inflation progressively align to the target while supporting growth.
- The RBI raised the growth outlook by 20bps for FY25 as the forecast for above normal monsoon and strengthening agricultural activity is expected to boost the rural consumption. The RBI revised growth projections for FY25 at 7.2% from earlier projections of 7%. The quarterly projections revised upward for all the quarter with Q1FY25 at 7.3% from 7.1%, Q2 at 7.2% from 6.9%, Q3 at 7.3% from 7% and Q4 at 7.2% from 7%.
- 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, the buffer stocks of wheat and rice could bring down food inflation pressure particularly in cereals and pulses.
- The RBI has maintained its inflation projections for FY25 at 4.5% with no change in quarterly projections. The Q1FY25 inflation projection is at 4.9%, Q2 at 3.8%, Q3 at 4.6% and Q4 at 4.5%.

Consumer Price Index (CPI) Inflation



The CPI inflation for May-24 was at 4.75% and decrease marginally compared to inflation of 4.83% in the previous month. The headline inflation is trending below the RBI's upper band tolerance level from the last 9 months.

- Food & Beverages, which have the highest weight of 54.2% in CPI remain stable at 7.87% in May-24 as compared to previous month. The double digit inflationary trend continues in pulses (17.14%) and vegetables (27.33%). The inflation in spices category witnessed steep moderation from 7.8% in previous month to 4.27% in May-24. The contraction in oil and fats continues and provide relief to the overall food inflation.
- The core inflation continued its downward trend and declined further to 3.1%. The core inflation has consistently stayed below 4% for six consecutive months.

Index of Industrial Production (IIP)

The IIP growth moderated to 5% as compared to growth of 5.4% in the previous month. While the growth in mining and electricity accelerated compared to previous month but the growth in manufacturing moderated.

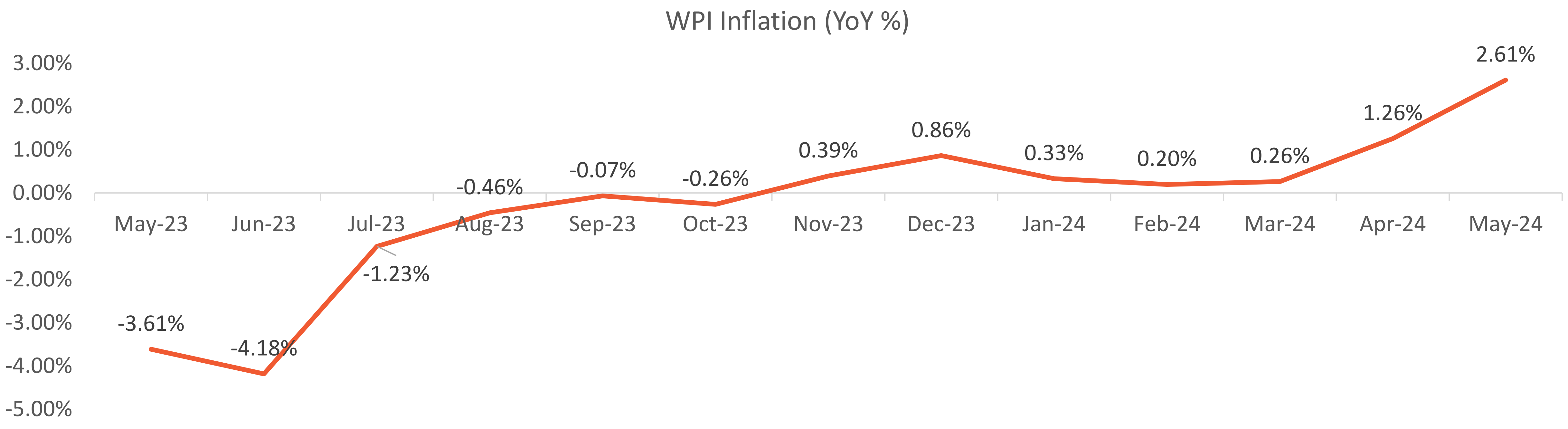
- **Mining:-** The mining activity accelerated to 6.7% in Apr-24 compared to moderation of 1.3% in the previous month. the month on month basis the mining activity contracted by -16% compared to growth of 11.8% in the previous month.
- **Manufacturing:-** It has the highest weightage of (77.6%) in the IIP. The activity reverse its last three months upward trend and moderated to 3.9% in Apr-24. Among the major manufacturing items, the “Manufacture of food products” who has weight of 5.3% contracted by -12.7% and “Manufacture of tobacco products” who has weight of 0.8% contracted by -8.9%. These two are the major contributors to the overall IIP moderation. Out of total 23 industries, 6 have recorded negative growth and others are in double digit or in positive growth.
- **Electricity:-** The electricity growth is in upward trend from last four months and grew by 10.2% in Apr-24 compared to growth of 8.6% in the previous month.

GROWTH IN SECTORAL			
	Feb-24	Mar-24	Apr-24
MINING	8.1%	1.3%	6.7%
MANUFACTURING	4.9%	5.8%	3.9%
ELECTRICITY	7.5%	8.6%	10.2%
GENERAL	5.6%	5.4%	5.0%
GROWTH IN USE-BASED CLASSIFICATION			
PRIMARY GOODS	5.9%	3.0%	7.0%
CAPITAL GOODS	1.0%	6.6%	3.1%
INTERMEDIATE GOODS	8.7%	5.5%	3.2%
INFRASTRUCTURE/ CONSTRUCTION GOODS	8.5%	7.4%	8.0%
CONSUMER DURABLES	12.4%	9.5%	9.8%
CONSUMER NON-DURABLES	-3.5%	5.3%	-2.4%

Source: MOSPI, Sharekhan Research

A Durable and broad based improvement in consumption sectors remain crucial for industrial activity. The consumption scenario remained mixed with urban demand showing resilience while the rural demand continued to lag. As the retail inflation is moderating and expectation of a normal monsoon are positives for the overall consumption scenario.

Wholesale Price Index (WPI) Inflation



The WPI inflation is in upward trend from last four months and further elevated to 2.61% in May-24 as compared to 1.26% in previous month. This WPI inflation is fifteen months high and this can be attributed to elevated prices in primary articles as it moves from 5.01% to 7.2% and manufactured products as it moved from contraction of -0.42% to 0.78%.

- The Inflation in primary articles which has the weight of 22.6% in the WPI increased by7.2% in May-24 compared to 5.01% in the previous month. The food inflation was in the range of 7.2% from last four months but accelerated to 9.82% in the month of May-24. The prices for potato and onion were increased by more than 55% from last three months. The prices of potato increased by 64.05% and onion by 58.05% in May-24. The vegetable prices also increased by 32.42% in May as compared to 23.6% in previous month.
- The inflation in fuel & power is in positive trajectory from last month and remain stable at 1.35%. The manufactured products was in contraction from last fourteen months and move to positive trajectory at 0.78% in May-24.

Debt Market Wrap

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

- The weighted average call rate eased to 5.75% on 24th June 24 from 6.65% in the previous month.

- Banking system liquidity remained in deficit during June 2024. It stood at Rs. -1.67 Lakh crore as on June 24, 2024. The system liquidity ranged from Rs. 0.5 lakh crore to Rs. -1.67Lakh crore as compared to the average of Rs.-1.35 Lakh crore on May 2024.

Bond prices & other updates

- The 10-year 7.26% 2033 G-Sec yield settled at 7.03% on June 24, 2024 as compared to average yield of 7.12% in the previous month. The softening in inflation and inclusion of Indian Bond in JP Morgan index helps to ease the bond yields.

- The RBI in its recent monetary policy kept the repo rate unchanged at 6.5% for the 8th Consecutive meeting and policy stance as "withdrawal of accommodation" with majority of 4:2. The RBI revised upward the growth outlook by 20bps for FY25 as the forecast for above normal monsoon and strengthening agricultural activity is expected to boost the rural consumption. The RBI revised growth projections for FY25 at 7.2% from earlier projections of 7%.

- The RBI has maintained its inflation projections for FY25 at 4.5% with no change in quarterly projections. The Q1FY25 inflation projection is at 4.9%, Q2 at 3.8%, Q3 at 4.6% and Q4 at 4.5%.

- Indian government bonds are set to enter the JP Morgan's Emerging Market Government Bond Index starting from June 2024. Over the next 10 months the allocation to Indian Government Bond will reach maximum allowed weight of 10% following 1% additions of bond in each month. The Indian government bond has a low weight in foreign portfolios and after this inclusion in JP Morgan's index, it is expected to attract large inflows into the Indian bond market.

Debt Market Outlook

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

- As expected, the MPC committee kept policy repo rate unchanged at 6.5% and maintained stance at "withdrawal of accommodation" with 4:2 majority to ensure that inflation progressively aligns to the target while supporting growth. The MPC committee has raised concerns about inflation due to warm summers impacting food inflation.

- The headline inflation has eased significantly in the recent months and trending below RBI's upper band tolerance level from last 9 months but still remains above the 4% target. The volatility in food prices remains a key risk to align headline inflation with the 4% target. However, the buffer stocks of wheat and rice could bring down food inflation pressure particularly in cereals and pulses.

- Considering current growth momentum, Inclusion of Indian Bond in JP Morgan's index and inflation dynamics, the RBI is likely to keep repo rate on hold in next policy. The rate cut cycle could start later in the year when the inflation move closer to the RBI's medium term target of 4%.

Investment Strategy

- For the medium to long term, we have been advising to increase exposure to duration funds (5-12 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 JP Morgan bond index and fiscal consolidation. This would provide decent returns in duration funds.

Gilt Funds

Gilt Schemes	AUM (In crore)	YTM May-24 (%)	Macaulay Duration (Years)	Performance			
				6 Months	1 Year	2 Years	3 Years
Bandhan Government Securities Fund Investment Plan - Reg - Growth	2,191	7.2	12.15	7.3	9.8	8.5	5.8
Kotak Gilt Fund - Growth	3,422	7.3	10.63	4.9	8	8.2	5.5
Aditya Birla Sun Life GSec Fund - Reg - Growth	1,778	7.2	8.79	5.4	8.3	7.9	5.5
ICICI Prudential Long Term Bond Fund - Growth	840.893	7.5	7.21	5.4	7.6	8.2	4.8
(Performance as on 24 June 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	Mid & Small Cap	Flexi Cap
40%	25%	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
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
Gilt & Dynamic bond	
Kotak	Kotak Gilt Fund – Growth
ICICI	ICICI Prudential All Seasons Bond Fund
Mirae Asset	Mirae Asset Dynamic Bond Fund

Portfolio Composition

Large Cap	Gilt & Dynamic Bond	Mid & Small Cap
40%	40%	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
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
Mirae Asset	Mirae Asset Dynamic Bond Fund
Dynamic Asset Allocation	
ICICI	ICICI Prudential Balanced Advantage Fund
Edelweiss	Edelweiss Balanced Advantage Fund
Mirae Asset	Mirae Asset Balanced Advantage Fund

Portfolio Composition

Corporate Bond & Short Duration	Gilt & Dynamic Bond	Dynamic Asset Allocation
50%	30%	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
HDFC	HDFC Balanced Advantage Fund
Edelweiss	Edelweiss Balanced Advantage Fund
Mirae Asset	Mirae Asset Balanced Advantage Fund
Equity Savings	
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
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	Captail 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
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
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

Scheme Name	Category	Corpus (In crore.)	1 Year	3 Years	5 Years
ICICI Prudential Manufacturing Fund - Reg – Growth	Thematic	4,842	71.2	32.4	27.7
UTI Transportation and Logistics Fund - Growth	Thematic	3,435	61.5	30.1	24.7
Mirae Asset Healthcare Fund - Reg – Growth	Sectoral-Pharma	2,202	43.3	14.3	26.7
ICICI Prudential Infrastructure Fund - Growth	Sectoral-Infra	5,034	68.4	39.5	29
HDFC Flexi Cap Fund - Growth	Flexi Cap	54,692	45.8	26.5	21
Franklin India Flexi Cap Fund - Growth	Flexi Cap	15,468	46.2	22.4	21.5
(Performance as on 24 June 2024)					

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.

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 crore.)	1 Year	3 Years	5 Years
International Schemes				
Kotak NASDAQ 100 Fund of Fund - Reg – Growth	2,975	34.1	15	--
ICICI Prudential US Bluechip Equity Fund – Growth	3,052	13.4	8.9	16.3
Mirae Asset S&P 500 Top 50 ETF Fund of Fund - Reg – Growth	542	38.7	--	--
MF Schemes with International Allocation				
Axis Growth Opportunities Fund - Reg - Growth	12,424	38.8	19.4	23
SBI Magnum Global Fund - Growth	6,366	16.9	12.8	17.2
(Performance as on 24 June 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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