

INVESTMENT STRATEGY

MUTUAL FUND PORTFOLIOS

Nov 2023

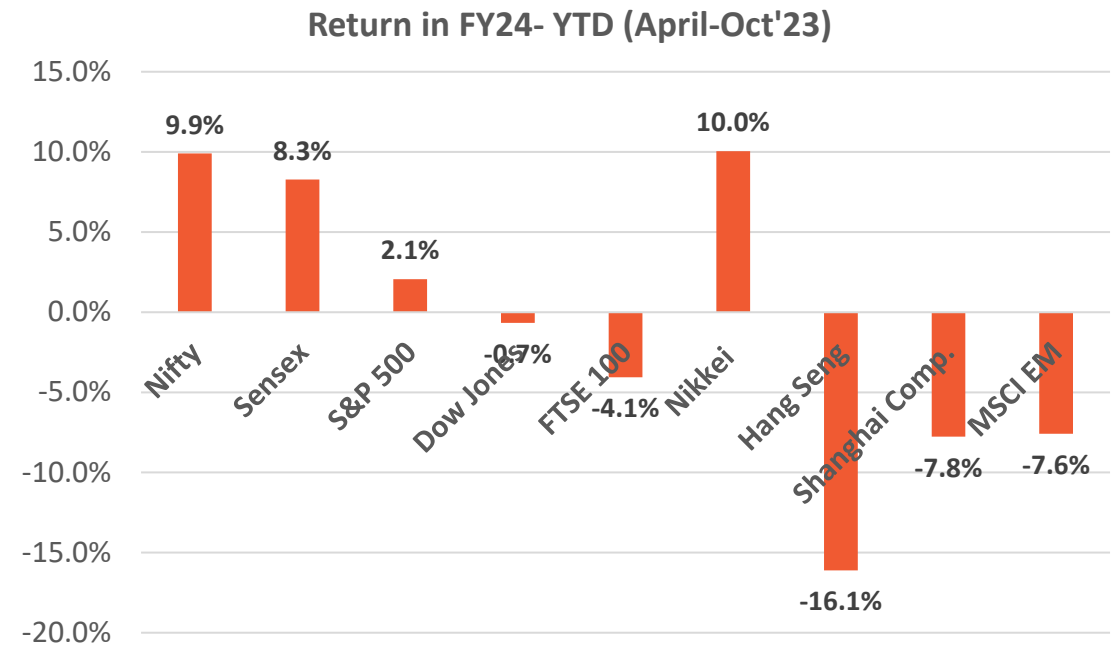
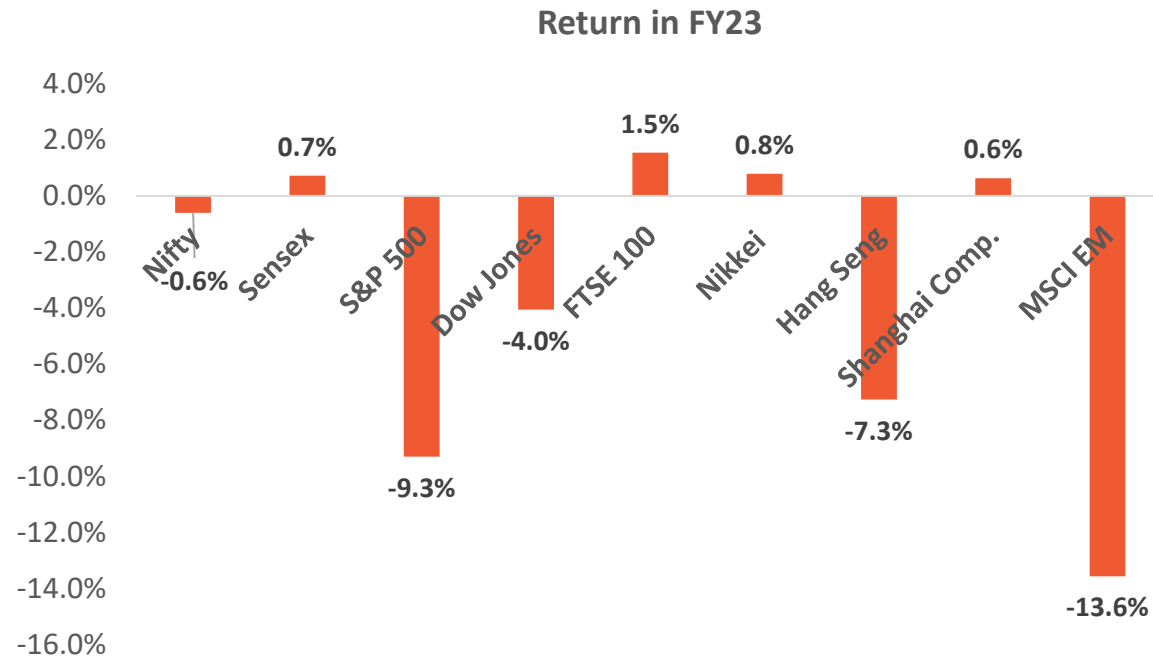


November 2023

Equity Market Outlook

Indian market remained resilient in Fiscal 2023; New high in FY24 with solid outperformance

- India remained one of the best among global markets and outperformed most of its peers convincingly in FY23 and FY24 YTD

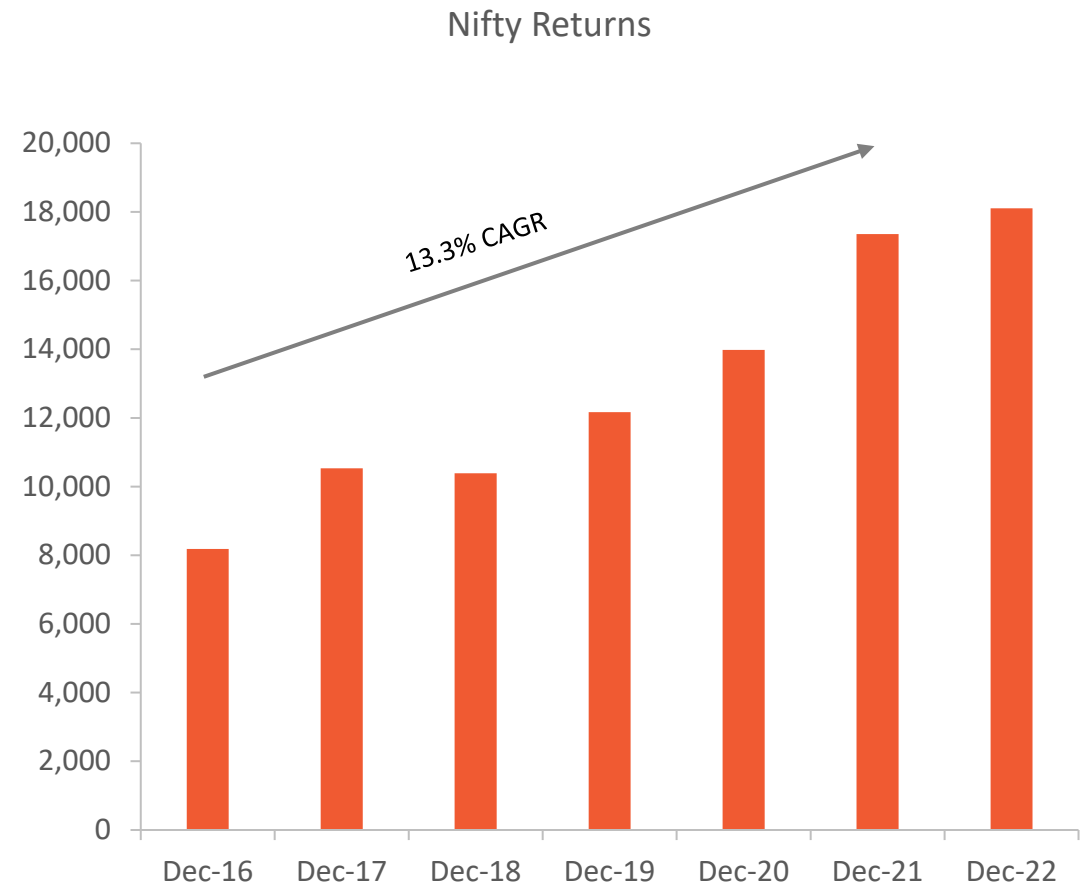


Source: Sharekhan Research

CY2016 to CY2022 (7 years): Nifty returns of 13.3 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



Real Estate – Coming out of a slumber

Early signs of a strong revival in property cycle; driven by a time correction in prices, reasonable interest rates and need to have bigger houses. Real estate has positive impact on many industries (such as steel, cement & other related sectors) and generates employment across income strata.



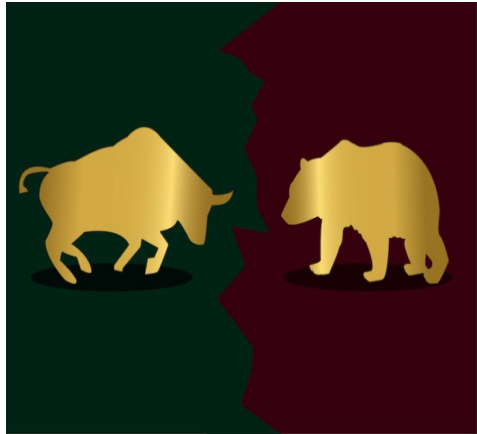
Infrastructure spending – Focus area for policy makers

Budgetary allocation for capex has gone up substantially. Also, the government looking at innovative ways like Nation Asset Monetisation Plan to support its ambitious target set under National Infrastructure Pipeline (NIP).



Corporate Capex – Set for an expansion spree

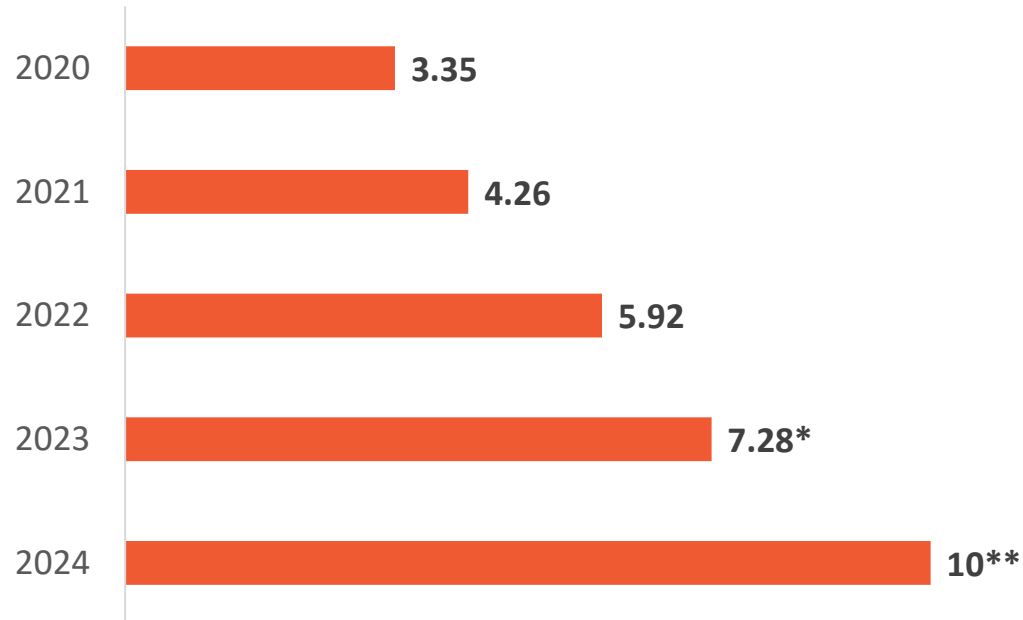
Many large corporates have set out on an capacity expansion (including core sectors). Banks in better health now and capitalised to support credit growth in the economy.



Infrastructure Spending Further Picks Up Pace

Budgetary allocation has gone up by 3x in the past four years; resulting in infrastructure capex allocation going up from 3% to 5% of GDP from FY2020 to FY2024.

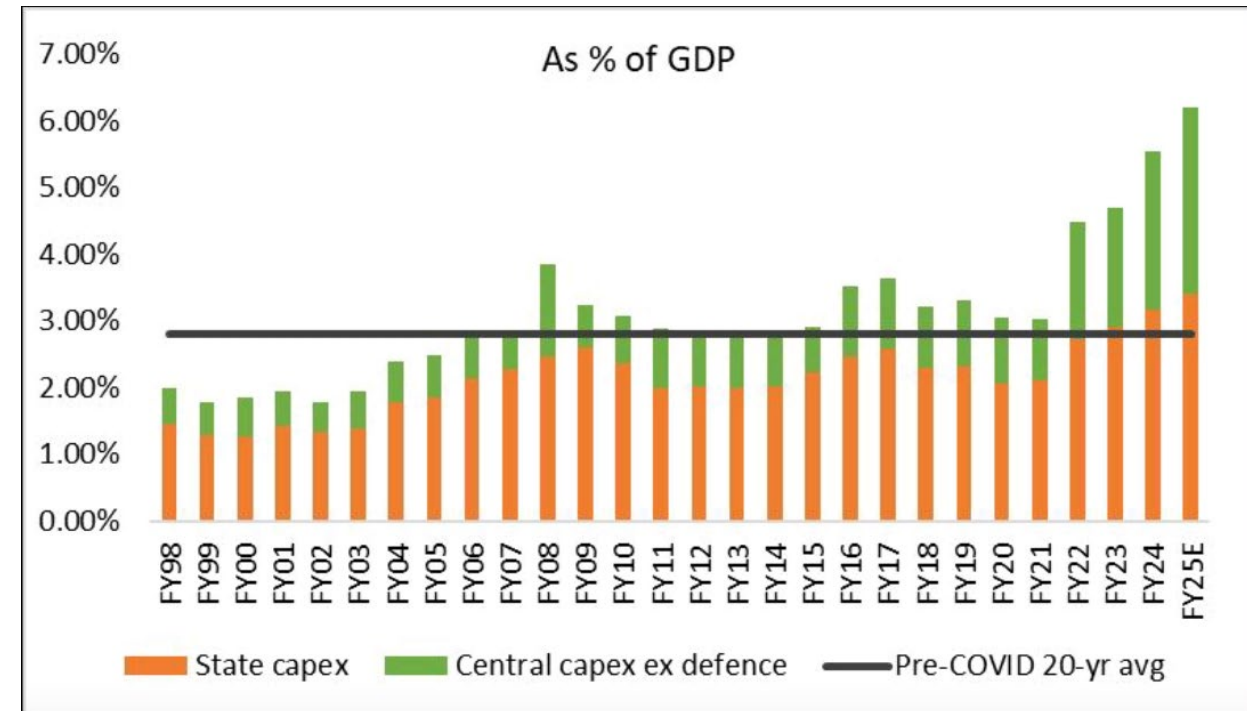
Central Govt Capex (In Rs. trn)



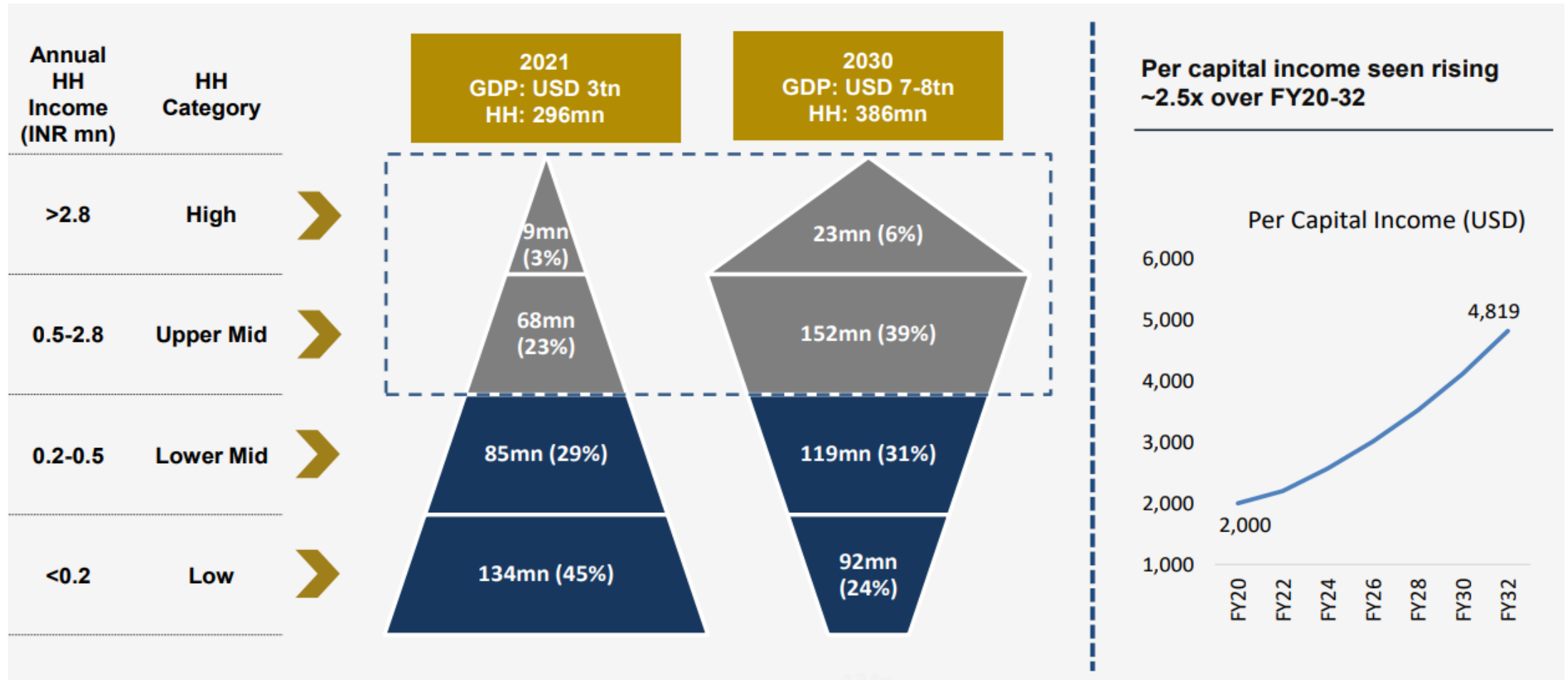
*RE: Revised Estimates; ** - Budget Estimates

Source: Budget Documents

Capex as a % of GDP



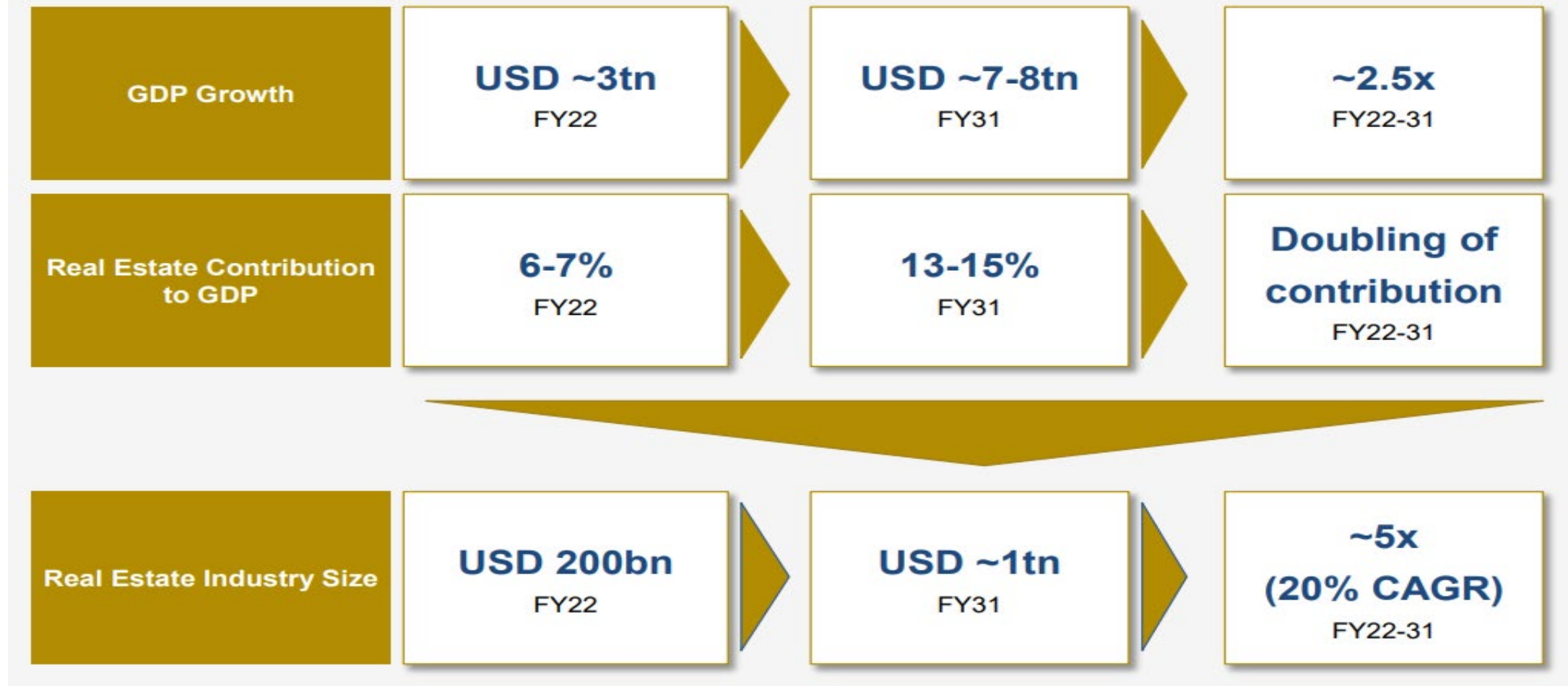
Real Estate: Potential demand of 8-9 crore new houses over the next decade



Source: Macrotech Developers; Sharekhan Research, HH - Households

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

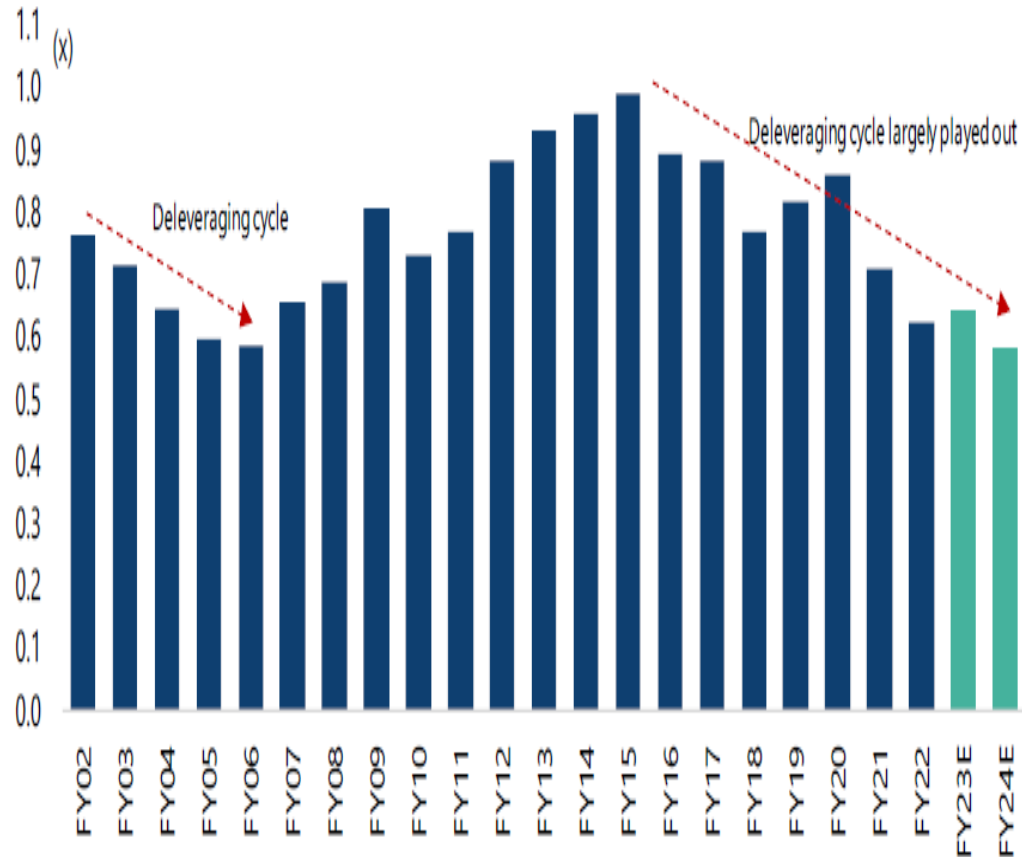
Factors like improving per capita income, rapid urbanisation, family nuclearisation, increasing educated workforce every year and most importantly improving affordability ratio to support real estate growth.



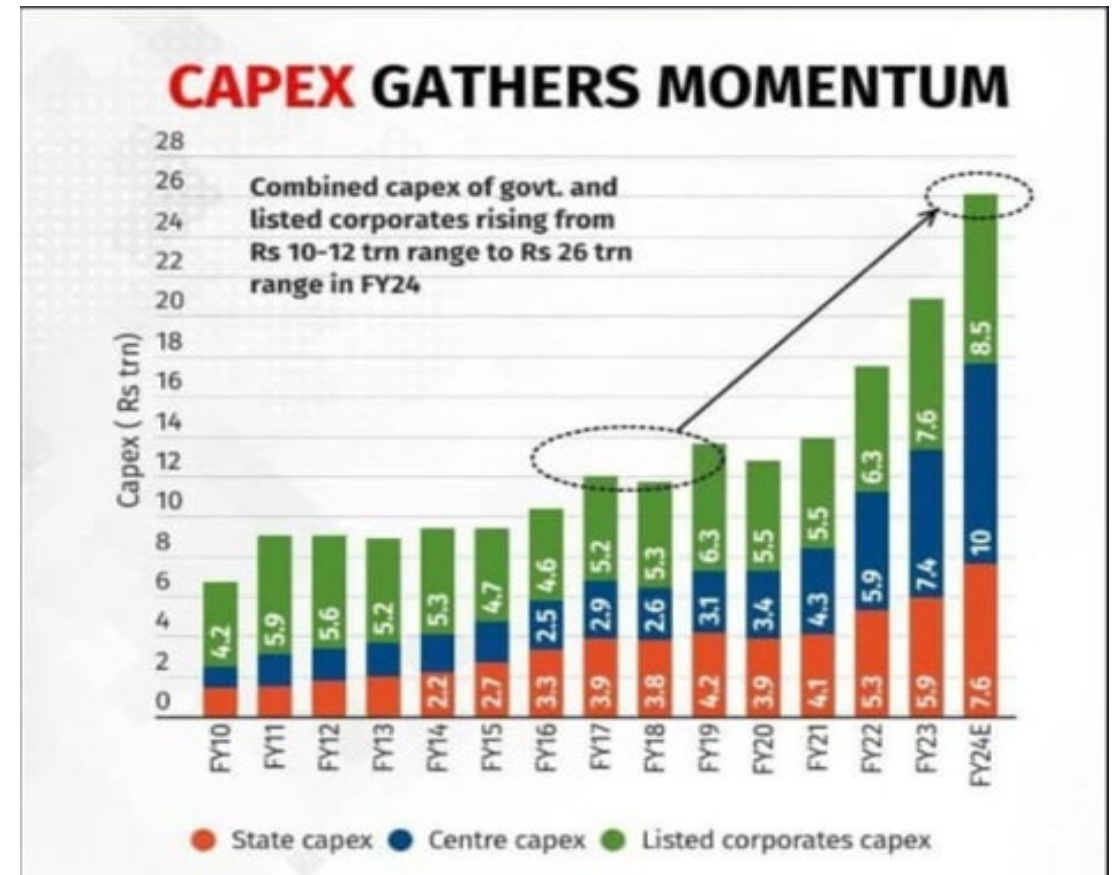
Source: Macrotech Developers; Sharekhan Research

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

- A 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 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



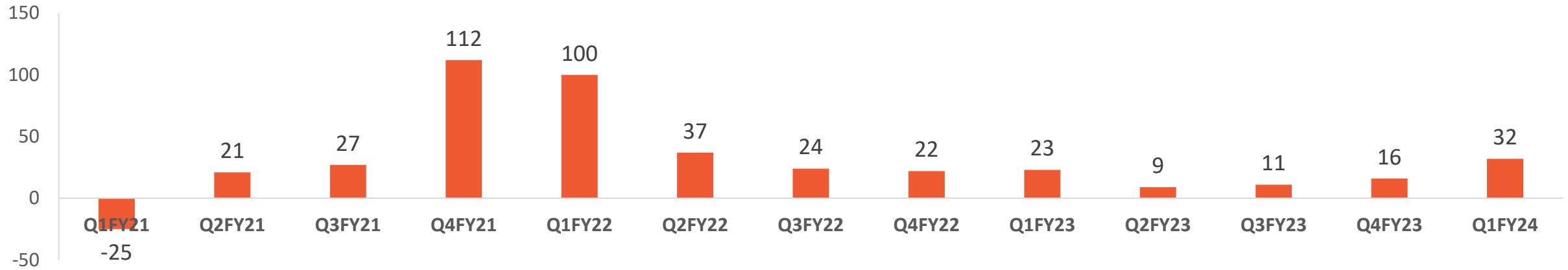


Corporate Earnings

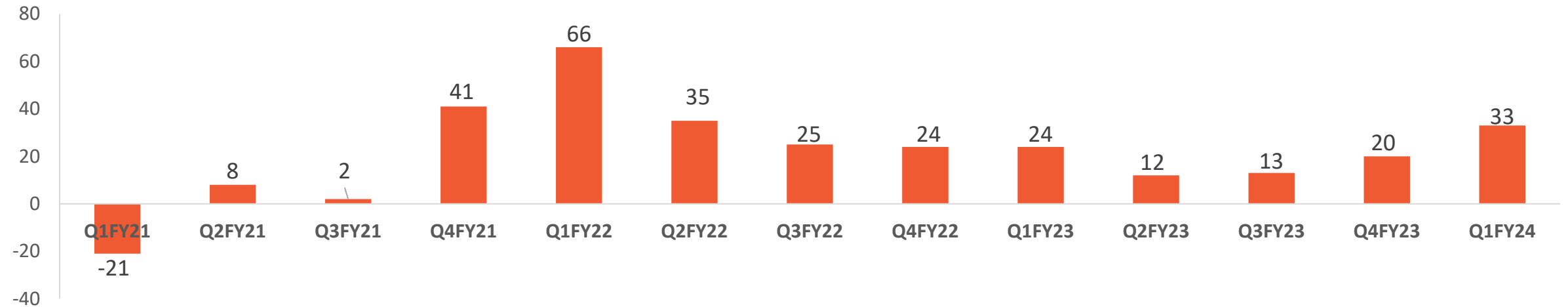
Double-digit earnings despite rate hikes

Nifty & Sensex: Strong Earnings Growth for 12 Quarters Now!

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

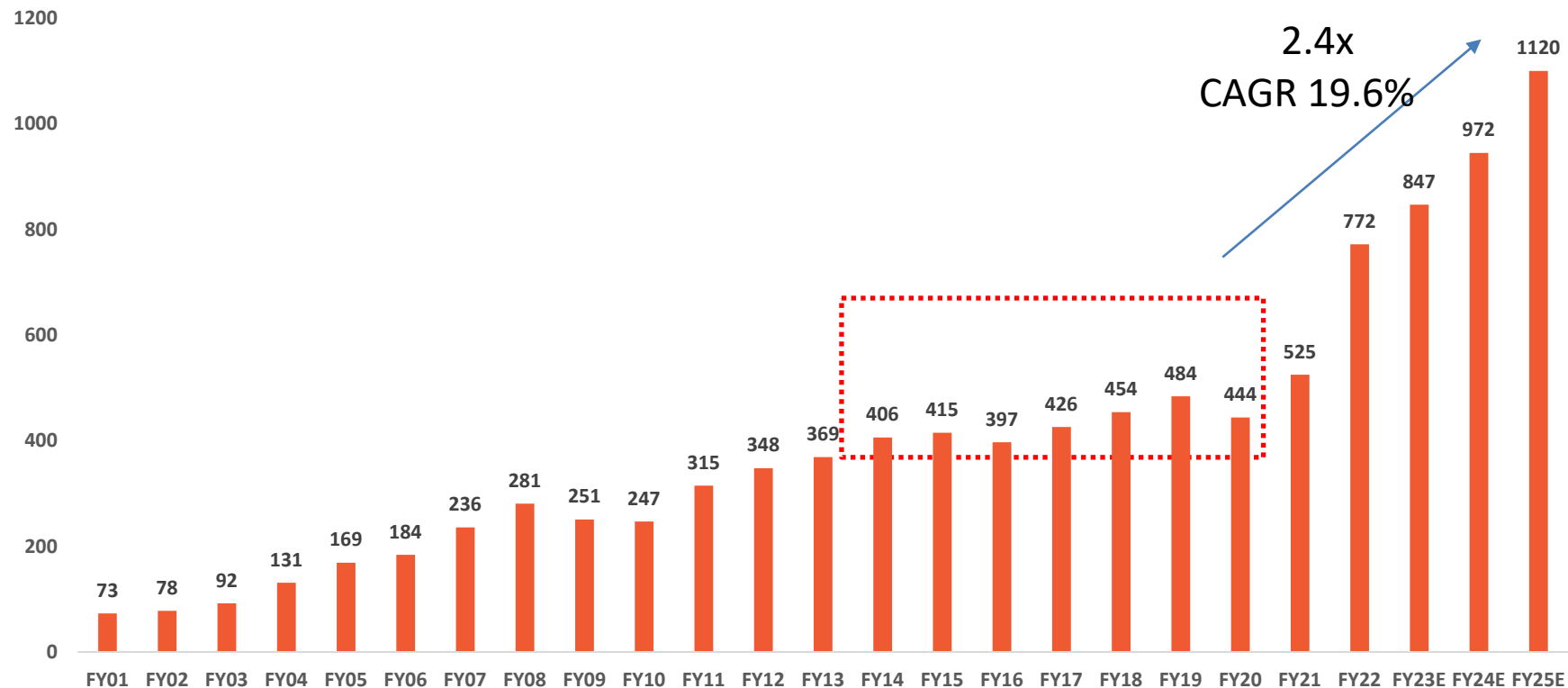


Sensex Cos Earnings Growth (% Y-o-Y)



Corporate Earnings: Nifty EPS on a high growth trajectory

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

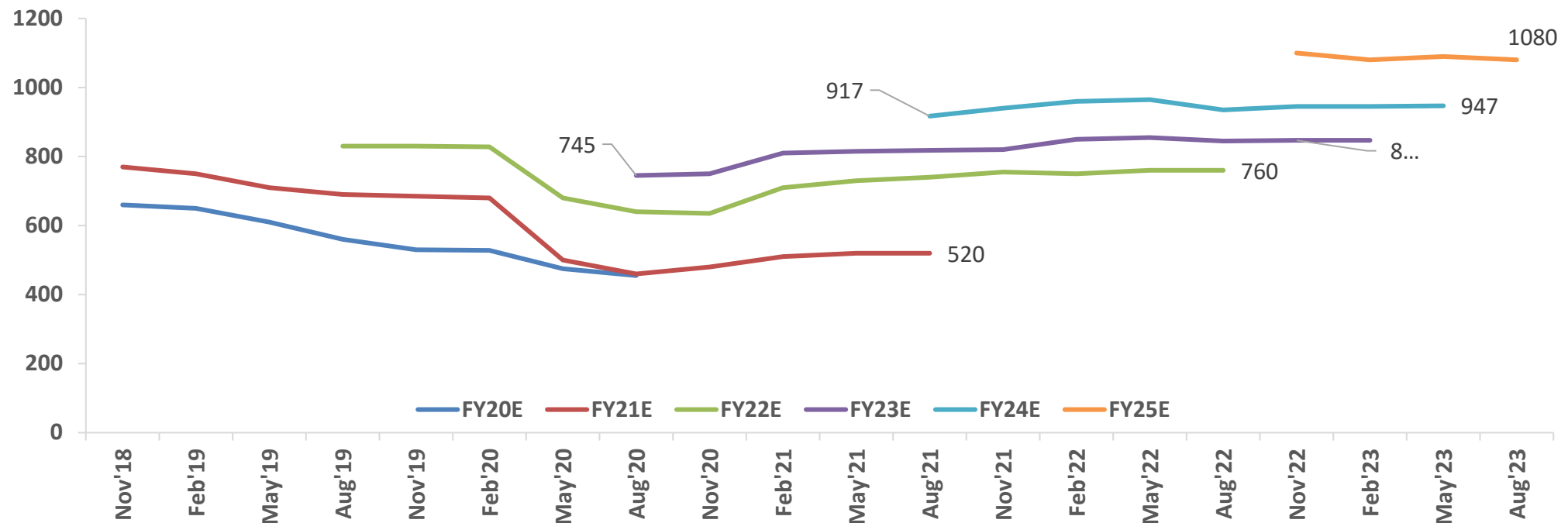


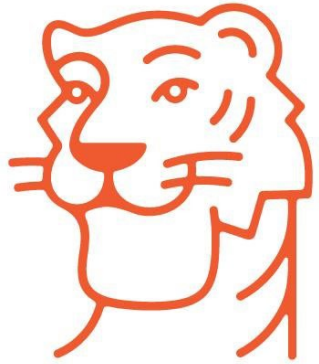
Source: Company; Sharekhan Research

Consensus earnings estimates stable despite macro headwinds

- Consensus estimate Nifty earnings have been quite steady over the past couple of quarters led by improved visibility of corporate earnings despite near-term headwinds.

Summary of movement of Nifty earnings forecast: Looks steady in recent period



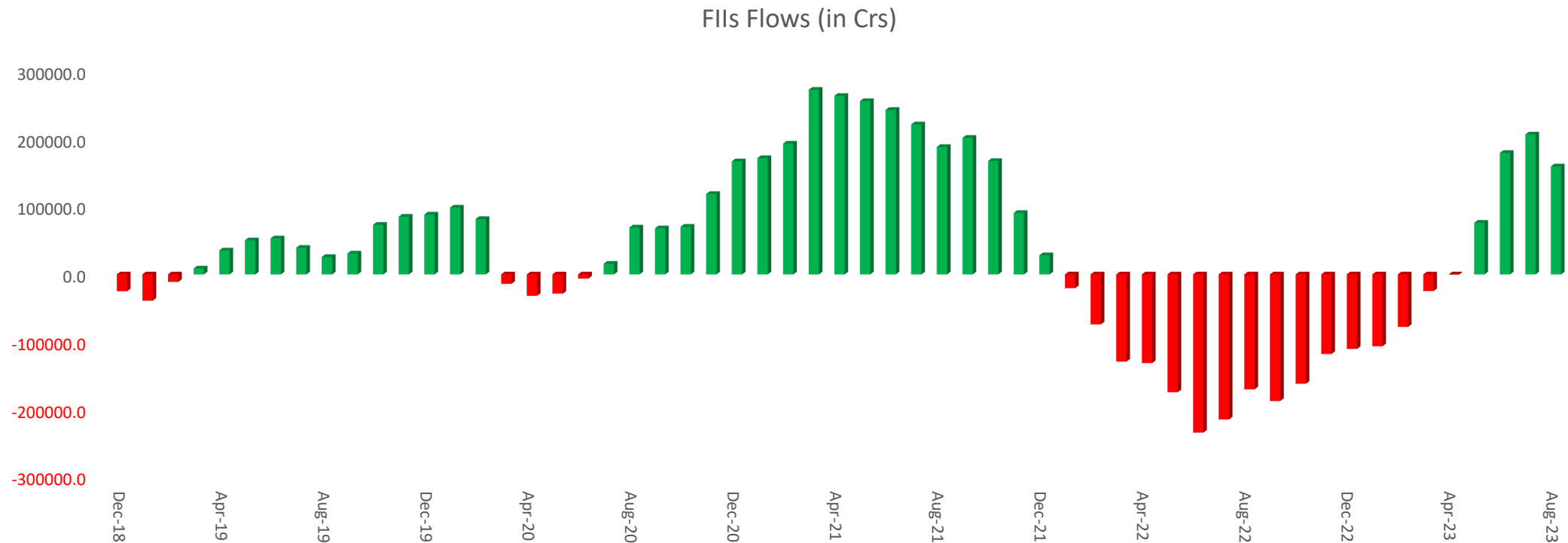


India Equity

Can't be ignored by serious investors anymore

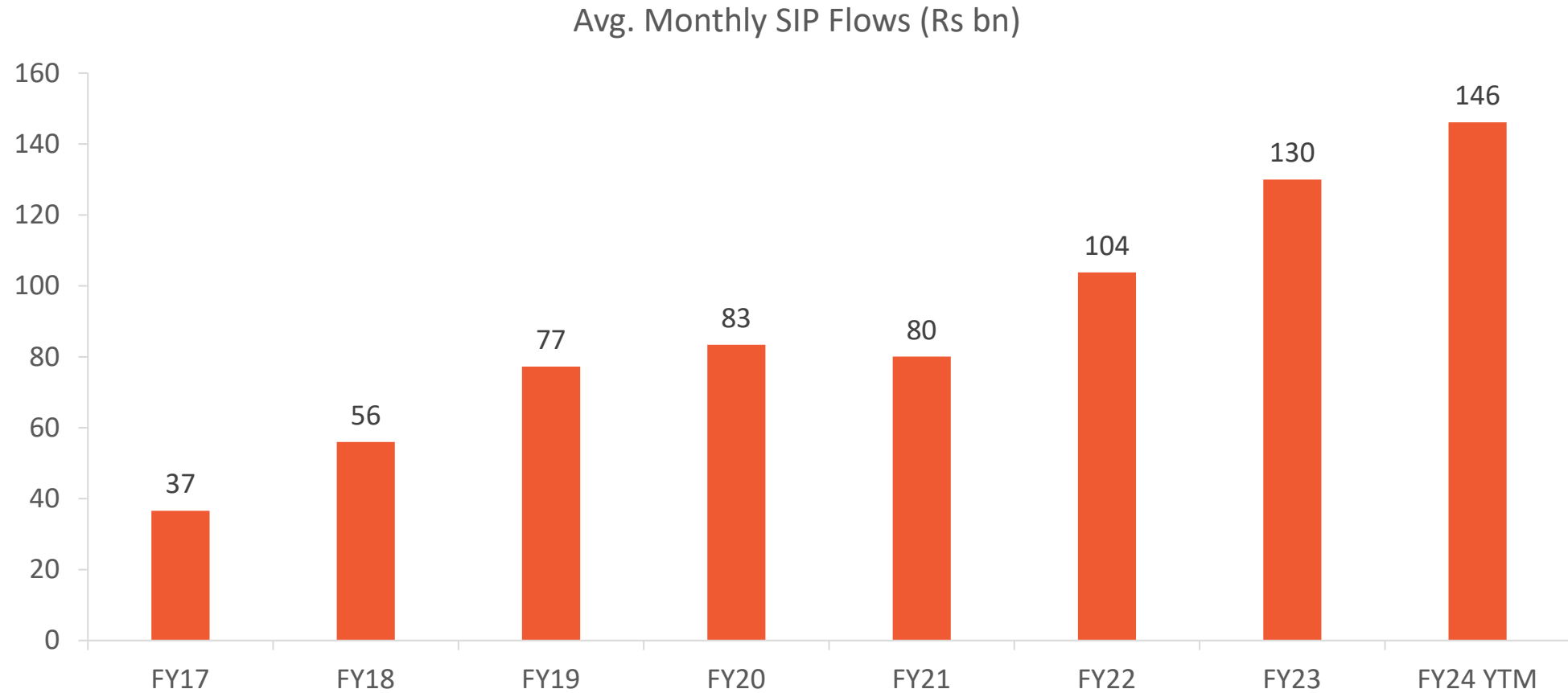
FII Flows: Can be Volatile & Unpredictable but 12-month rolling trend is a good indicator

- 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 gives some sense of trend for the next few months.



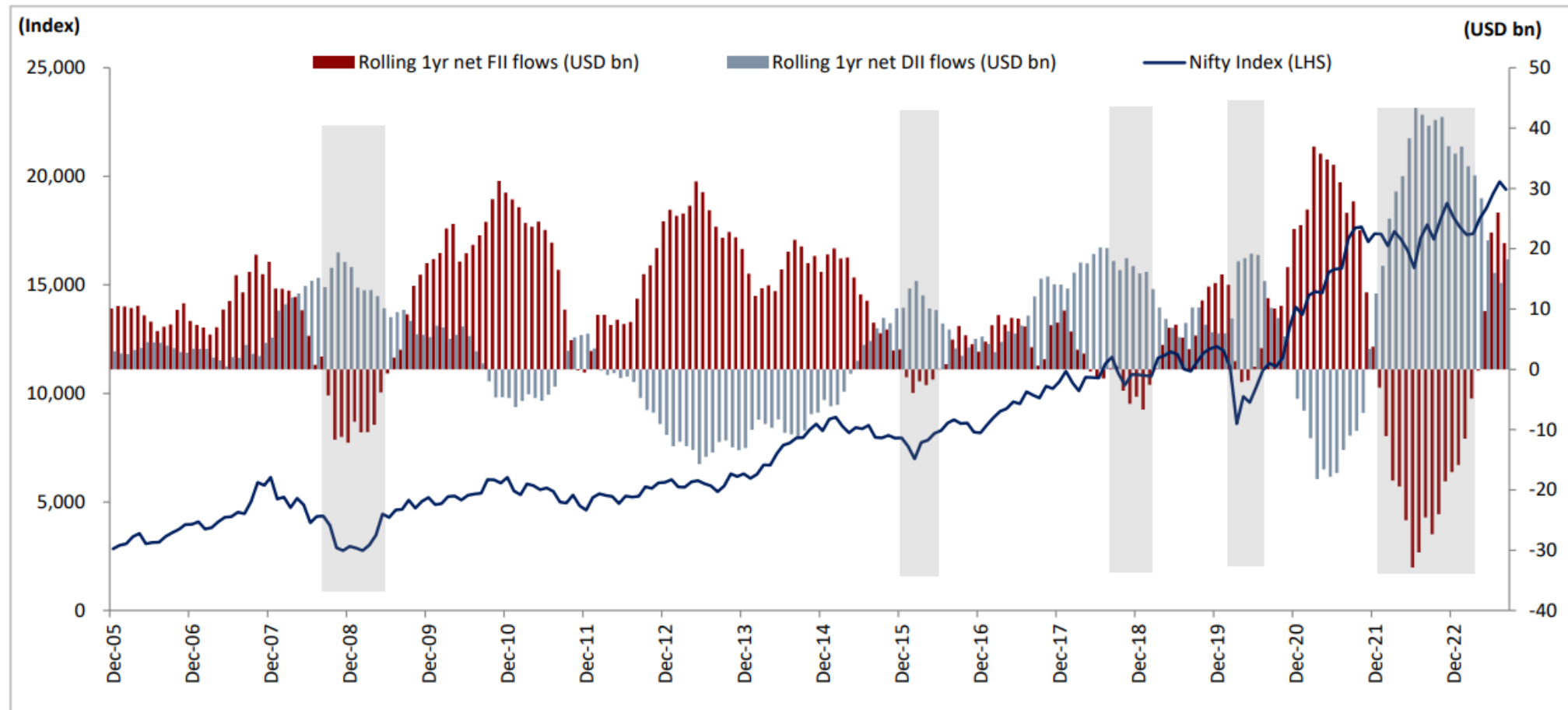
Source: Bloomberg, Sharekhan Research

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



Source: AMFI, Sharekhan Research

Resultantly domestic investors becoming more relevant in Indian markets.



Source: AMFI, Sharekhan Research

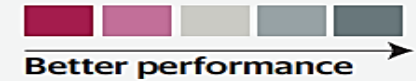
India: Fastest growing large economy globally in CY2023/CY2024

(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: Ahead of its emerging market peers

India's ranking is ahead of its emerging market peers for the sixth consecutive month

Launched in September 2019, Mint's Emerging Markets Tracker provides a summary of economic activity across 10 large emerging markets* based on seven high-frequency indicators. With a composite score of 73, India topped the EM league table in August. China and Mexico were second and third, respectively.



TOP COUNTRIES

1 INDIA topped the league table for the sixth straight month with the highest real GDP growth in the June quarter and PMI reading exceeding peers'.

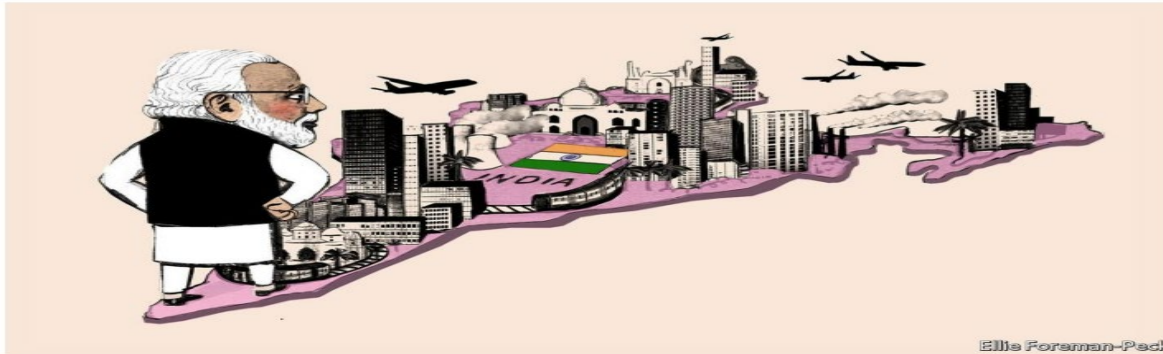
2 CHINA climbed two places despite slowdown fears. Inflation remained under control and though lower-than-expected, GDP growth was among the best.

3 MEXICO jumped three spots to the third in August, with a relatively controlled drop in its currency, and inflation, too, in check.

mint	Country	Composite index score, August 2023	Real GDP growth (y-o-y, in %)	PMI manufacturing	Export growth (y-o-y, in %)	CPI inflation (y-o-y, in %)	Import cover (no. of months)	Exchange rate movement** (m-o-m, in %)	Stock market capitalization** (m-o-m, in %)
	INDIA	73	7.8	58.6	-6.8	6.8	11.0	-0.8	0.8
	CHINA	60	6.3	49.7	-9.6	0.1	15.1	-0.8	-2.4
	MEXICO	53	3.6	51.2	2.2	4.6	4.1	-0.5	-2.2
	BRAZIL	51	3.4	50.1	1.4	4.6	17.0	-2.2	-3.5
	INDONESIA	46	5.2	53.9	-21.0	3.3	7.5	-1.4	1.2
	THAILAND	43	1.8	48.9	-6.3	0.9	8.7	-1.2	0.5
	TURKEY	41	3.8	49.0	1.6	58.9	2.5	-1.5	19.7
	PHILIPPINES	41	4.3	49.7	-0.8	5.3	9.5	-2.5	-4.7
	MALAYSIA	39	2.9	47.8	-18.5	2.0	5.3	-0.5	2.6

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)



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

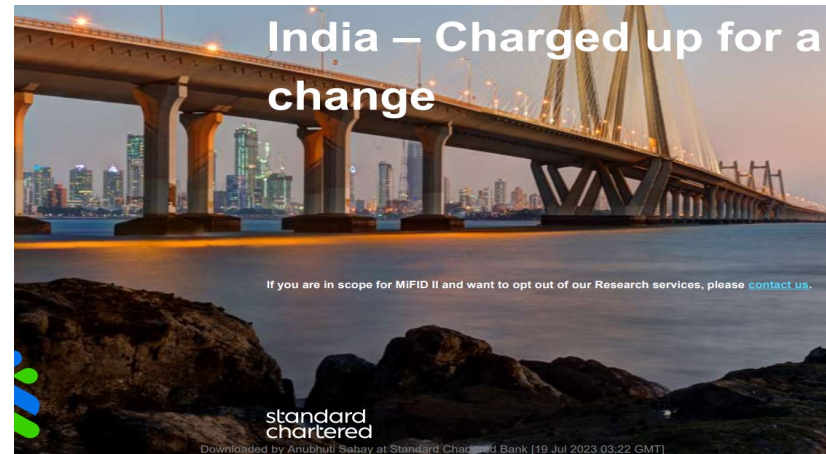


By Fareed Zakaria
Columnist | + Follow

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

MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED+

Ridham Desai
EQUITY STRATEGIST
Ridham.Desai@morganstanley.com +91 22 6118-2222

Girish Achhipalia
EQUITY ANALYST
Girish.Achhipalia@morganstanley.com +91 22 6118-2243

MORGAN STANLEY ASIA LIMITED+

Chetan Ahya
CHIEF ASIA ECONOMIST
Chetan.Ahya@morganstanley.com +852 2239-7812

MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED+

Sameer Baisiwala, CFA
EQUITY ANALYST
Sameer.Baisiwala@morganstanley.com +91 22 6118-2214

Upasana Chachra
CHIEF INDIA ECONOMIST
Upasana.Chachra@morganstanley.com +91 22 6118-2246

Rahul Gupta
EQUITY ANALYST

Jefferies – Greed & Fear Strategy

Jefferies

Christopher Wood *

christopher.wood@jefferies.com

+852 3743 8746

5 May 2022

A hapless Powell and a resilient Modi

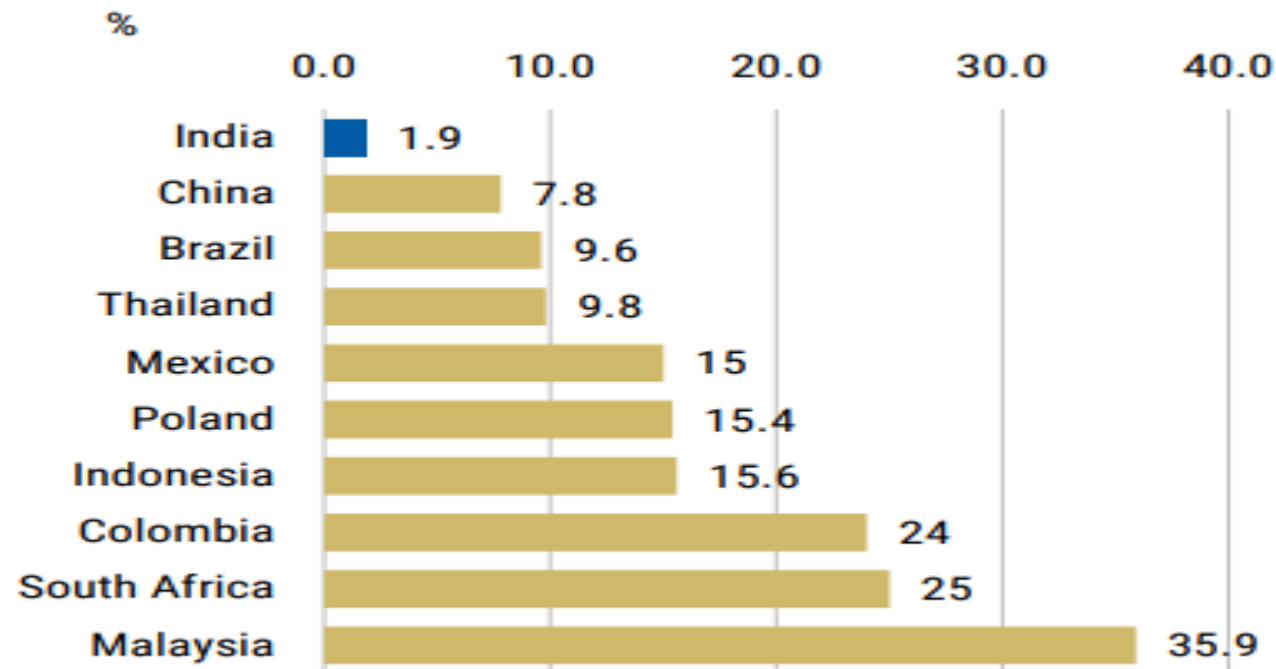
Delhi

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

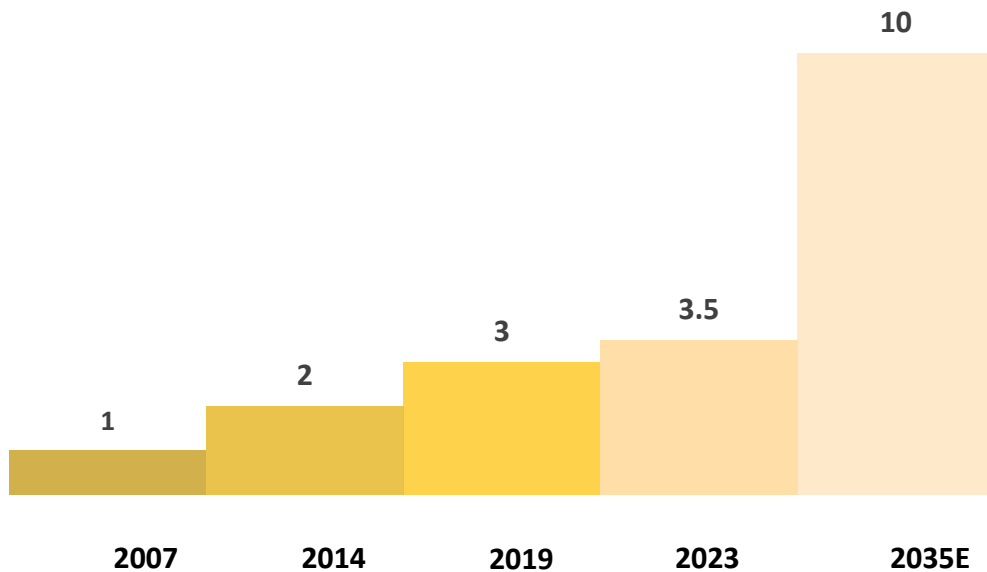
India has the lowest foreign ownership of government bonds among major EM countries



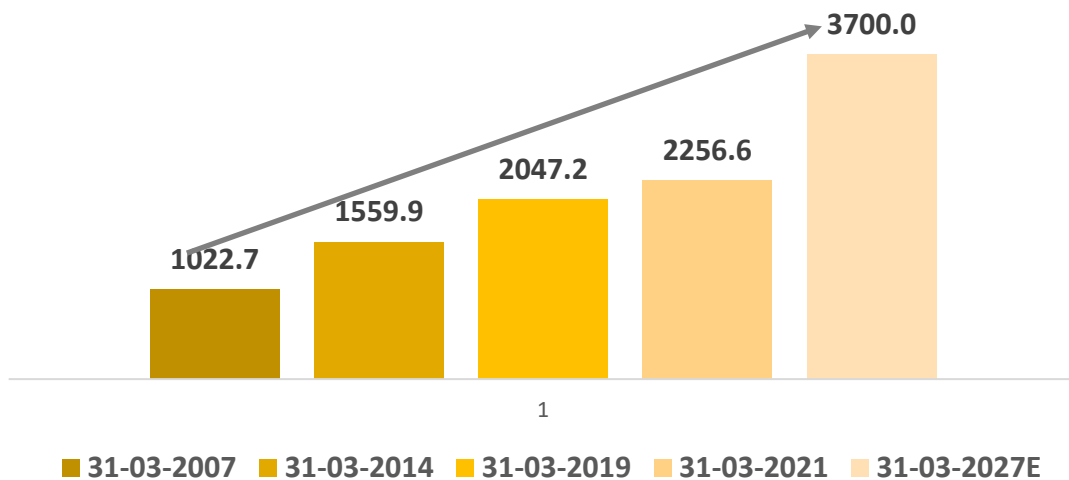
Source: Industry Report

India's Towards \$10 Trillion Economy

India GDP's In \$ tn

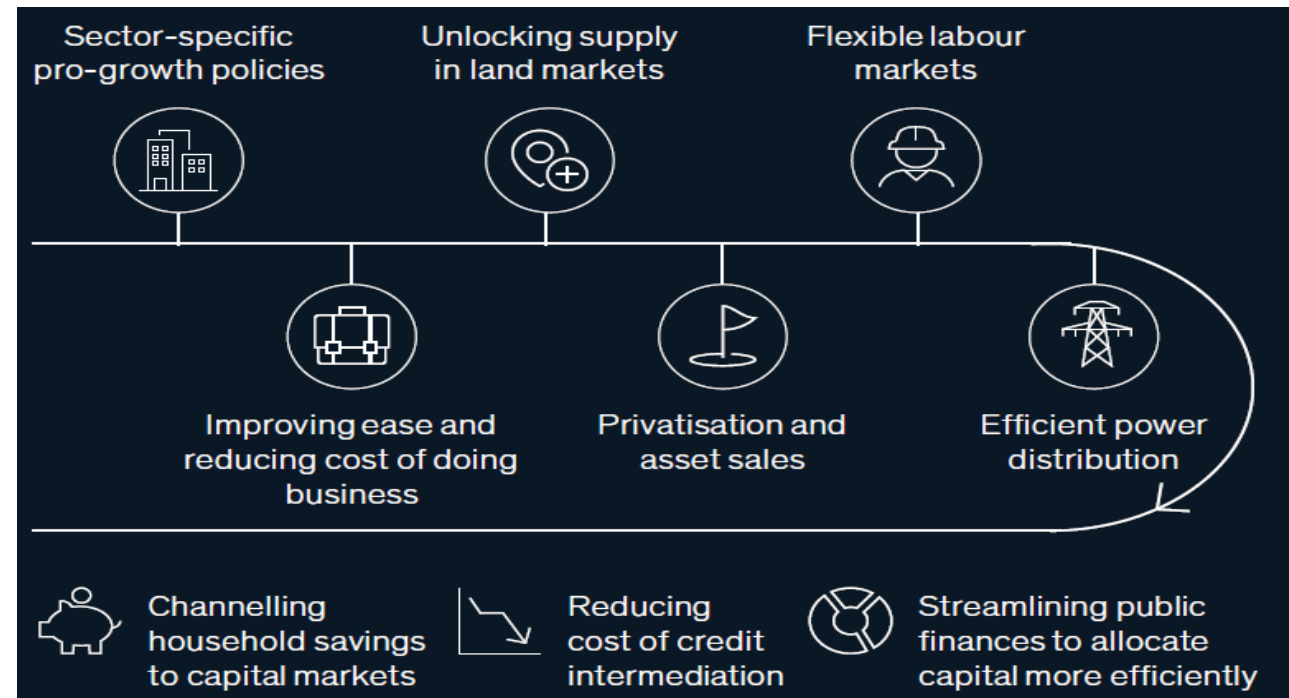


Per capita in \$



- 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 \$ ten trillion economy by 2035.**

Amrit Kaal: Envisioning India @2047





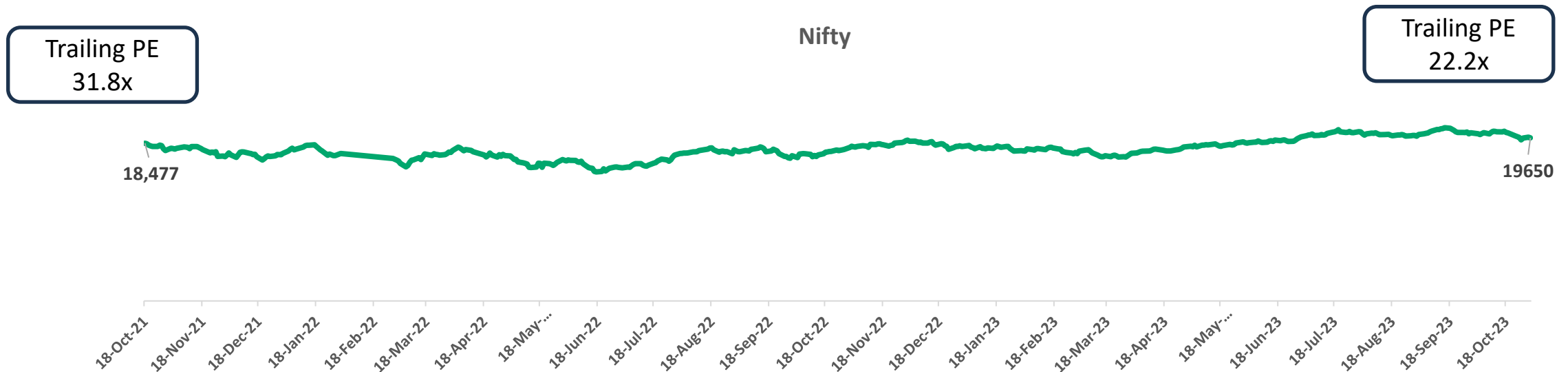
Valuation

Turned Reasonable post Time Correction

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

	Oct-21	Oct-23	
Nifty EPS	582	820	↑
GST Collections (Rs. bn)	1300	1627	↑
Credit Growth (%)	6.3	15.5	↑
Manufacturing PMI	55.9	57.5	↑
Services PMI	58.4	61.0	↑

	Oct-21	Oct-23	
CPI (%)	4.48	5.02	↑
WPI (%)	13.83	-0.26	↓
10-year G-Sec Yields (%)	6.4	7.35	↑
Brent Crude (\$/bbl)	84.4	87	↔
Fiscal Deficit (%)	6.4	6.4	↔

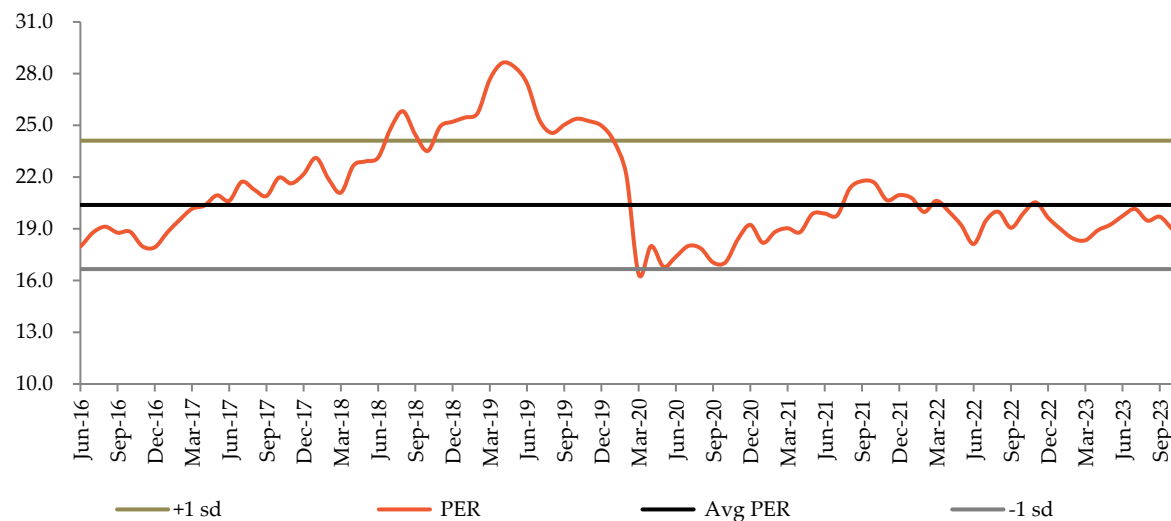


Source: Bloomberg, Sharekhan Research

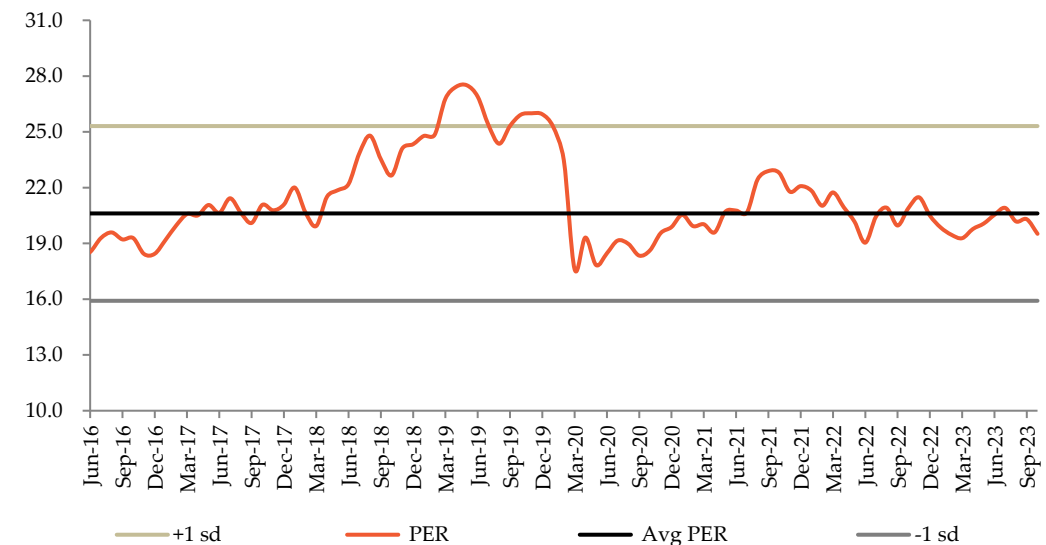
Valuation: Not cheap anymore but valuation nowhere close to all high levels

- The Nifty trades at 20.1x and 17.7x of FY24E and FY25E earnings, respectively, which is broadly in line with long term average multiples.

One-year forward PE chart of Nifty

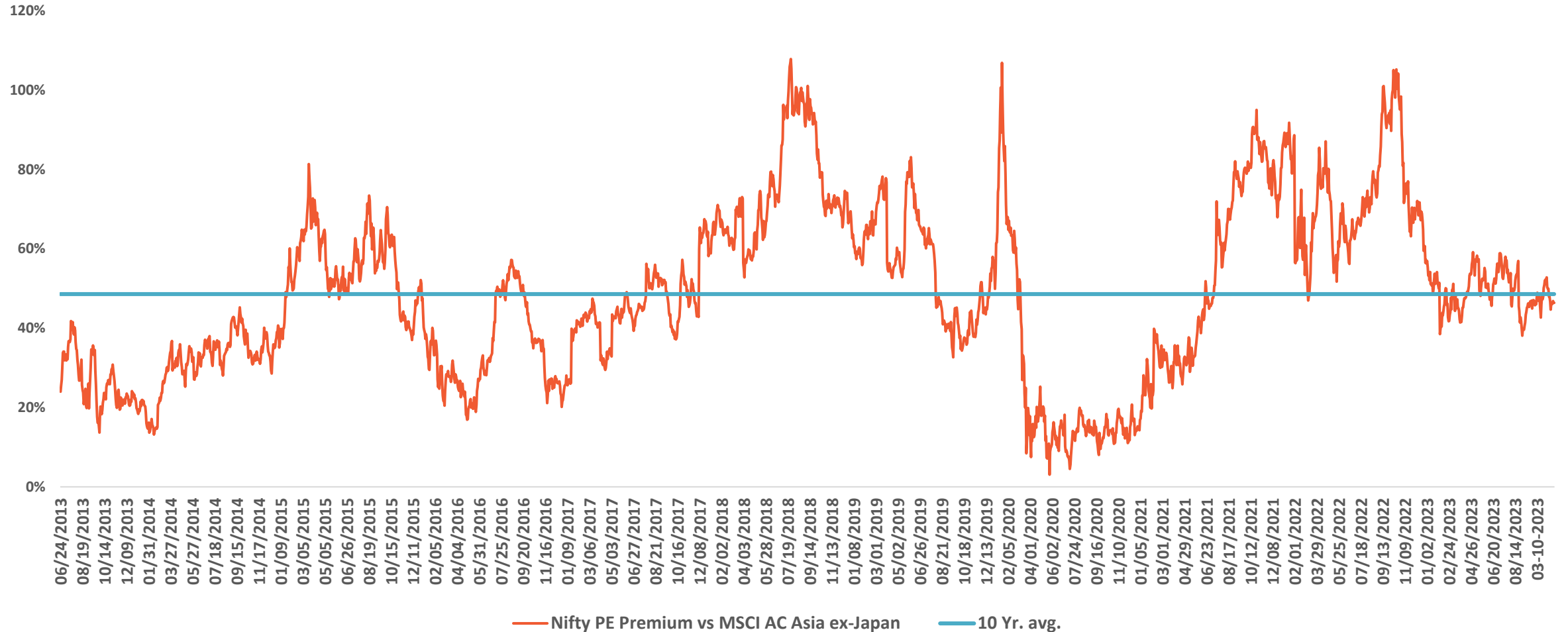


One-year forward PE chart of Sensex

























Source: Bloomberg; Sharekhan Research

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



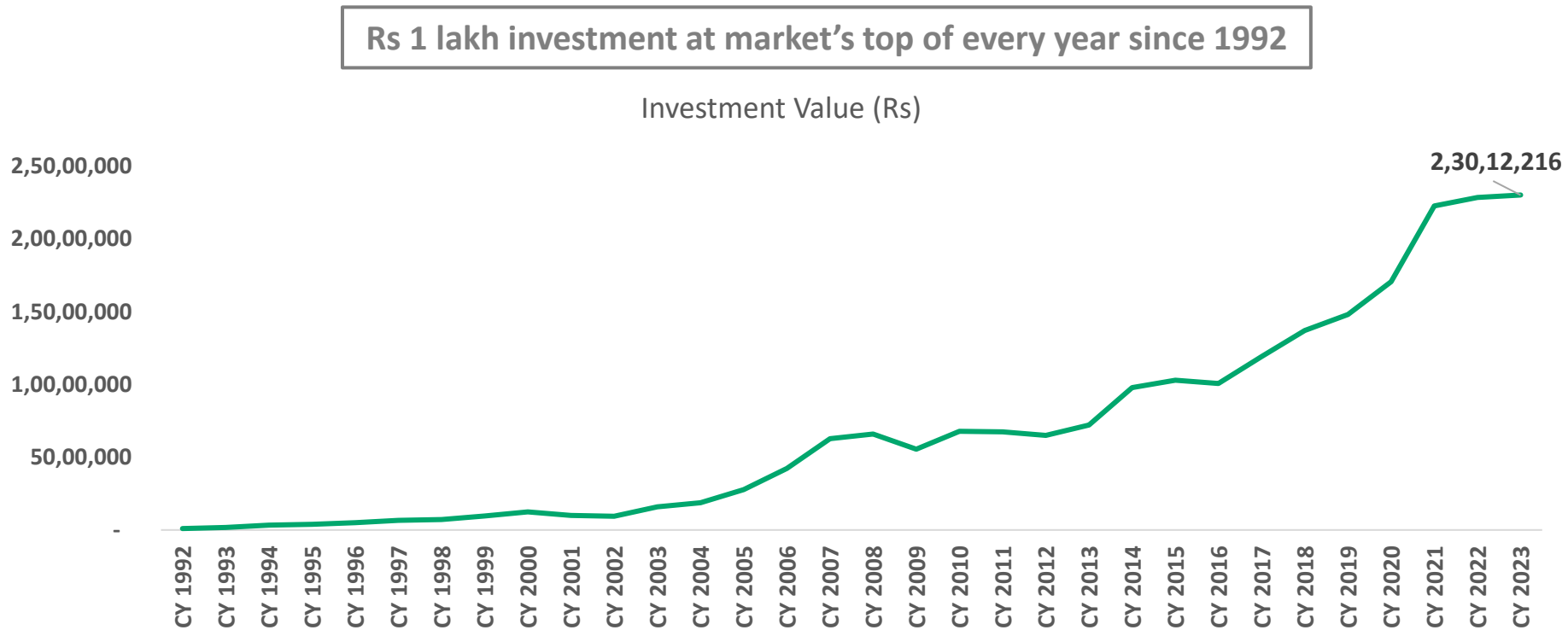
Source: Sharekhan Research

Elections & Sensex

Year	Incumbent	Newly-elected	RESULTS DATE	SENSEX RALLY IN SIX MONTHS TO ELECTIONS
1980	Janata Party 	 INC	Jan 8, 1980	0.5%
1984	INC 	 INC	Dec 21, 1984	12.5%
1989	INC 	Janata Dal 	Dec 04, 1989	0.1%
1991	Janata Dal 	INC 	May 27, 1991	2.6%
1996	INC 	United Front 	May 23, 1996	25.1%
1998	United Front 	BJP 	June 03, 1998	-9.3%
1999	BJP 	BJP 	June 10, 1999	31.6%
2004	BJP 	INC 	May 13, 2004	9.1%
2009	INC 	INC 	May 18, 2009	59.8%
2014	INC 	BJP 	May 16, 2014	15.7%
2019	BJP 	BJP 	May 23, 2019	9.8%

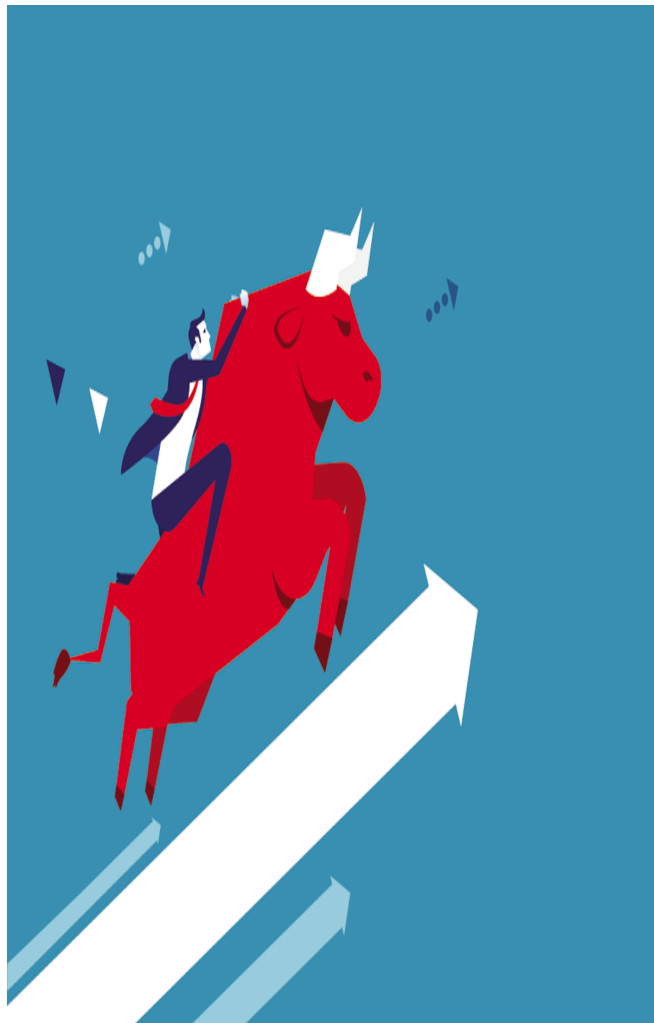
Disciplined investment pays off irrespective of market levels..

- 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

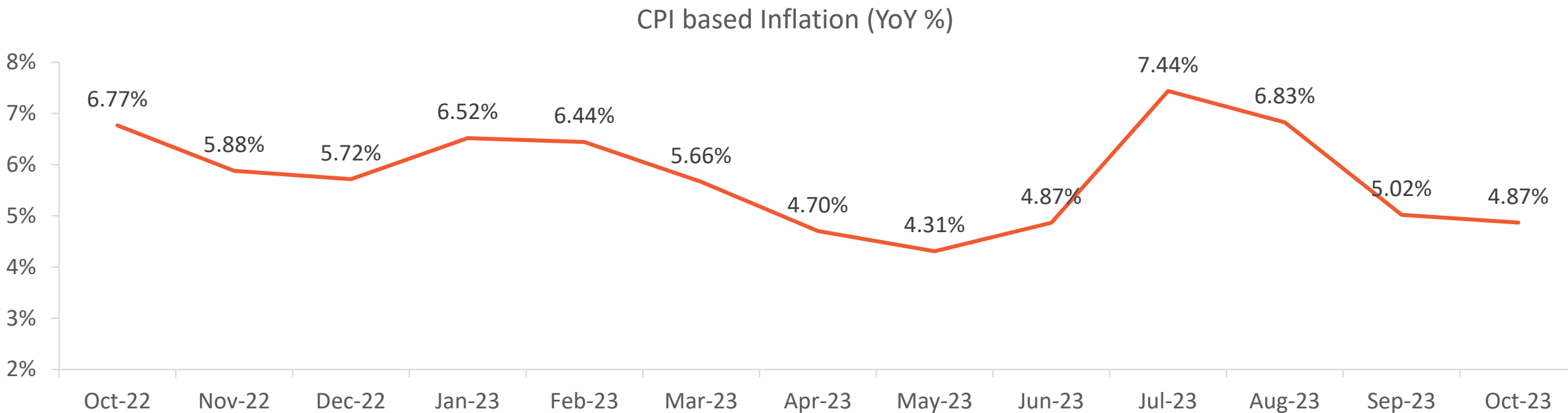
Big Opportunity: Multi-year economic upcycle in India



- Indian equity market has shown resilience amidst the slew of negative changes in the macro environment domestically and globally. It started with US Federal Reserve indicating a prolonged phase of high interest rates contrary to consensus expectations of rate cut by mid of CY2024.
- On the positive side, the Q2 result season has been encouraging. Aggregate profits of Nifty companies stood at 30% for Q2 driven by healthy improvement in margins in cement, auto, banks and Oil marketing companies.
- Market do tend to give regular corrections of 5-8% which turn out to be a buying opportunity in hindsight. This time is no different.
- Hence, investor' should focus on the **BIG PICTURE** of multi-year growth upcycle in Indian economy & corporate earnings rather than get bogged down by near-term challenges.
- So stay invested in right quality of stocks and do not miss out the opportunity to make handsome returns over the next 2 to 5 years.
- It is time spend 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 inflation eased to a four-month low of 4.87% in October 2023 compared to inflation of 5.02% in the previous month. The current easing of inflation was primarily due to easing of prices in fuel and light category and a supporting base. The CPI inflation is below RBI's tolerance level from last two months and this is due to significant correction in vegetable prices.

- Food & Beverages, which have the highest weight of 54.2% in the CPI, remained stable at 6.2% in Oct-23 as compared to previous month. The inflation of pulses & spices kept the upward pressure on food & Beverage inflation.
- Among the food items, the cereals, pulses and spices continue with double digit growth of 10.65%, 18.8% and 22.76% respectively. Inflation in the miscellaneous segment which has the weightage of 27% in the CPI basket remained stable at 4.40% in Oct-23 compared to previous month.

Index of Industrial Production (IIP)

The IIP growth increased by 5.8% in September and dropped sharply compared to previous month growth of 10.3%. This moderation of IIP growth was due to drop in growth of manufacturing and electricity.

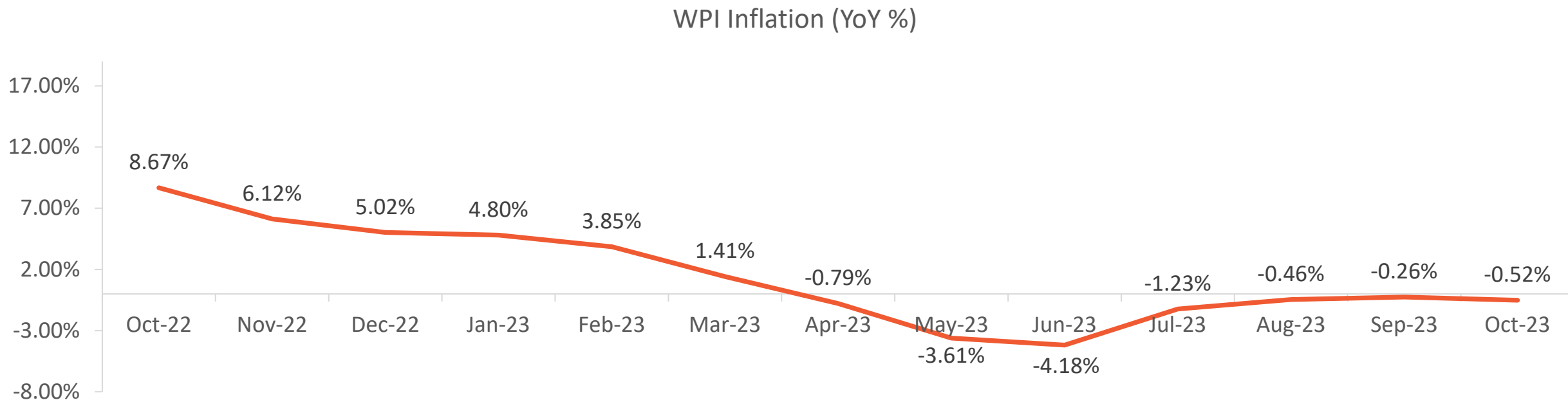
- **Mining:-** Activity has been rising from Apr-23 to Aug-23 and eased marginally in September to 11.5% but remained at double digit. The mining activity is in double digit growth from last three months.
- **Manufacturing:-** It has the highest weightage of (77.6%) in the IIP. The output moderated to 4.5% in September 2023 as compared to previous month. The growth in Manufacture of basic metals (12.5%) contributing to IIP growth. Out of 23 industries, 9 have recorded negative growth, three are in double-digit growth and the remaining are in positive growth. The manufacture of chemicals and chemical products which has the weightage of 7.87% contracted by -5.6% in September recording a contraction for the fifth month in a row.
- **Electricity:-** The electricity output is in positive trend from last five months and grew by 9.9% in Sept-23 compared to growth of 15.3% in the previous month and growth of 11.6% in the corresponding month of last year.

GROWTH IN SECTORAL			
	Jul-23	Aug-23	Sep-23
MINING	10.7%	12.3%	11.5%
MANUFACTURING	5.0%	9.3%	4.5%
ELECTRICITY	8.0%	15.3%	9.9%
GENERAL	6.0%	10.3%	5.8%
GROWTH IN USE-BASED CLASSIFICATION			
PRIMARY GOODS	7.6%	12.4%	8.0%
CAPITAL GOODS	4.5%	13.1%	7.4%
INTERMEDIATE GOODS	2.4%	6.8%	5.8%
INFRASTRUCTURE/ CONSTRUCTION GOODS	12.4%	13.5%	7.5%
CONSUMER DURABLES	-2.6%	5.8%	1.0%
CONSUMER NON-DURABLES	7.9%	9.6%	2.7%

Source: MOSPI, Sharekhan Research

The industrial activity moderated sharply in Sept-23 compared to previous month. the moderation in inflationary pressure offers some comfort but the uncertainties in rural demand pose a challenge for IIP growth. the durable improvement in consumption remain critical to keep the momentum in industrial activities going forward.

Wholesale Price Index (WPI) Inflation



The WPI inflation is in negative trend from the past seven months but the speed of contraction is slowing down from the last four months. The WPI inflation is -0.52% on Oct-23 compared to previous month inflation of -0.26% and close to positive territory.

- Inflation in primary articles which has the weight of 22.6% in the WPI basket is positive but in downward trajectory from last three months and move to 1.8% in Oct-23 compared to 3.7% in previous month.
- The food inflation further eased to 2.5% in Oct-23 compared to 3.3% in previous month owing to moderation vegetable prices from last two months. The vegetable inflation is in contraction from last two months and contracted by -21% in Oct-23 compared to contraction of -15% in previous month.
- Inflation in fuel & Power and manufactured products is in contraction but the pace of contraction is reducing from last three months.

Liquidity: RBI to keep liquidity conditions tight

- Average call money rate has been hovering above the repo rate as the liquidity shrink during the month of November as compared to average liquidity of past months.
- Banking system liquidity moved to neutral during the month and as a result, the overnight call rates rose above the repo rate. The system liquidity stood at Rs.0.42 lakh crore on Nov 16, 2023 as compared to average liquidity of 0.51 Lakh crores in Oct-23. The banking system liquidity average during November 2023 is at Rs.0.37 lakh crore, which is Rs.0.56 Lakh crore lower than average liquidity of Rs.0.93 Lakh crore in Sept-23.

Bond prices & other updates

- The 10-year 7.26% 2033 G-Sec yield settled at 7.28% on November 17, 2023 owing to elevated global yields and tight liquidity conditions.
- Banking system liquidity shrunk to Rs.0.42 Lakh crore on November 16, 2023 as compared to the average liquidity of 0.51 Lakh crores in Oct-23 owing to OMO sales by RBI and this led to market yields to trend higher.
- Growing tensions in the middle east increased worries of potential supply disruptions of energy in a supply tight market. On the contrary the international energy prices corrected owing to expectation of weak economic data from major economies.
- After the spike in CPI inflation to 7.4% in July-23 due to surge in vegetable prices, it eased to 6.8% in Aug-23 and now trending below the RBI's upper band tolerance level from last two months. The spikes in vegetable prices have tapered off and crop output is expected to be normal except certain items like cereals and pulses could show some inflationary trends.

The US bond yields, inflation uncertainties and crude prices to drive bond yields in near term

- CPI inflation is trending below the RBI's upper band tolerance level for the past two months and the core inflation is also under control, which will further reduce the possibility of future rate hike.
- Global yields are also at its peak level and the fresh US inflation data suggested that the US federal open market committee would not hike rates further in the current policy tightening cycle. It is expected that US central bank would keep interest rates higher for longer.
- RBI's inflation projections for FY2024 are 5.4% and this suggest that the medium term inflation is going to remain above the RBI's target level of 4%. Considering the strong growth numbers and moderating inflation there is no pressure on RBI to ease rate any time soon and the RBI would keep interest rate higher for longer.

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 the peak of the interest rate upcycle and the policy rate could come down by 100-150 bps in the next 18-24 months. This would provide fairly decent high single-digit returns in duration funds.

Gilt Funds

Gilt Schemes	AUM	YTM Oct-23 (%)	Macaulay Duration (Years)	Performance			
	(In Crs)			6 Months	1 Year	2 Years	3 Years
ICICI Prudential Long Term Bond Fund - Growth	647	7.7	7.5	1.1	6.3	3.3	2.6
Kotak Gilt Fund - Growth	2882	7.8	5.8	2.5	6.6	4.2	4.1
Aditya Birla Sun Life GSec Fund - Reg - Growth	1634	7.5	5.8	2.1	6.6	3.9	4
Bandhan Bond Fund - Income Plan - Reg - Growth	487	7.6	2.6	1	5.3	2.7	2.5

(Performance as on 17 Nov 2023)

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
SBI	SBI Magnum Mid Cap Fund
Mirae	Mirae Asset Mid Cap Fund
Small CAP	
ICICI	ICICI Prudential SmallCap Fund
Nippon	Nippon India 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
SBI	SBI Magnum Mid Cap Fund
Mirae	Mirae Asset Mid Cap Fund
Small CAP	
ICICI	ICICI Prudential SmallCap Fund
Nippon	Nippon India 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%
------------------	----------------------------	------------------------

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
Aditya Birla Sun Life	Aditya Birla Sun Life 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	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
Franklin India Opportunities Fund	Portfolio presently offers "Make in India, Digitalization and Energy Transition" themes in which opportunities are being created by special situation arising from factors such as government policy changes or sector level disruption due to technology, among others.	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		
Edelweiss Flexi Cap Fund	To generate long-term capital appreciation from a diversified portfolio that dynamically invests in equity and equity-related securities of companies across various market capitalisation	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	1,517	32.1	31.4	18.9
Franklin India Opportunities Fund - Growth	Thematic	1,490	33.7	24.6	18.7
UTI Transportation and Logistics Fund - Growth	Thematic	2,348	24.9	25.6	13.4
ICICI Prudential Infrastructure Fund - Growth	Sectoral-Infra	3,345	32	42	21.6
HDFC Flexi Cap Fund - Growth	Flexi Cap	39,396	17.9	28.4	17
Franklin India Flexi Cap Fund - Growth	Flexi Cap	11,940	17.6	23.9	16.4
(Performance as on 17 Nov 2023)					

Portfolio Composition

Thematic/Sectoral Funds

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 as per Oct-23 Portfolio	Objective	Riskometer
International Schemes			
Motilal Oswal S&P 500 Index Fund	100%	The Scheme seeks investment return that corresponds to the performance of S&P 500 Index subject to tracking error	Very High
Motilal Oswal Nasdaq 100 Fund of Fund	100%	Investing in units of Motilal Oswal Nasdaq 100 ETF	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	15%	Investing in diversified portfolio comprising primarily of MNC companies.	Very High

Scheme Name	Corpus (In crore.)	1 Year	3 Years	5 Years
International Schemes				
ICICI Prudential US Bluechip Equity Fund – Growth	2,554	17.2	11.2	14
Motilal Oswal S&P 500 Index Fund(MOFSP500) - Reg - Growth	2,654	16.3	11.4	--
Motilal Oswal Nasdaq 100 FOF - Reg - Growth	3,813	36.7	12.5	--
MF Schemes with International Allocation				
Axis Growth Opportunities Fund - Reg - Growth	9,622	22.1	20.5	18.8
SBI Magnum Global Fund - Growth	6,122	15.6	20	15.6
(Performance as on 17 Nov 2023)				

Portfolio Composition

International Funds

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

Funds we Like ([click here](#))

SIP we Like ([click here](#))

One Click SIP ([click here](#))

Talk to your Investment Specialist or Mutual Fund Specialist

DISCLAIMER

This document is meant for sole use by the recipient and not for circulation. The information contained in this report is intended for general information purposes only. The information published should not be used as a substitute for any form of investment advertisement, investment advice or investment information. The information in this report has not been prepared taking into account specific investment objectives, financial situations and needs of any particular investor, and therefore may not be suitable for you. You should verify all scheme related information before relying on it. Further, the selection of the Mutual Funds for the purpose of including in the indicative portfolio does not in any way constitute any recommendation by Sharekhan Limited with respect to the prospects or performance of these Mutual Funds. We recommend investors to seek advice from professional financial advisors.

- Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the objectives of any of the schemes of the Fund will be achieved. Please read the Offer Document carefully in its entirety prior to making an investment decision.
- The NAV of units issued under the Schemes of mutual funds can go up or down depending on the factors and forces affecting capital markets and may also be affected by changes in the general level of interest rates. The NAV of the units issued under the scheme may be affected, inter-alia by changes in the interest rates, trading volumes, settlement periods, transfer procedures and performance of individual securities. The NAV will inter-alia be exposed to Price / Interest Rate Risk and Credit Risk.
- Past performance of any scheme of the Mutual fund do not indicate the future performance of the Schemes of the Mutual Fund. Sharekhan shall not responsible or liable for any loss or shortfall incurred by the investors.
- Investors are not being offered any guaranteed or assured rate of return through this document.

Sharekhan and/or its associates receive commission for distribution of Mutual Funds from various Asset Management Companies (AMCs) and the details of the commission rates earned from various Mutual Fund houses are available on our website. Sharekhan or its associates may have received commission from AMCs whose funds are mentioned in the report during the period preceding twelve months from the date of this report for distribution of Mutual Funds. Sharekhan also provides stock broking services to institutional clients including AMCs and hence may have received brokerage for security transactions done by any of the above AMCs during the period preceding twelve months from the date of this report.

As per the Equity Linked Savings Scheme, 2005, investments made under the scheme qualify for tax benefits under Section 80C of Income Tax Act, 1961, and shall be locked-in for a period of 3 years from the date of allotment of units.

Sharekhan may offer or distribute Mutual Fund schemes of BNP Paribas Asset Management India Private Limited as both entities are part of the same group BNP Paribas SA.

Compliance Officer: Ms. Binkle Oza; Tel: 022-62263303; e-mail: complianceofficer@sharekhan.com Contact: myaccount@sharekhan.com

Registration and Contact Details: Name of Research Analyst - Sharekhan Limited, Research Analyst Regn No.: INH000006183. CIN): - U99999MH1995PLC087498; **Registered Office:** The Ruby, 18th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, INDIA. Tel: 022-6115000.; **Correspondence/Administrative Office:** Gigaplex IT Park, Unit No 1001, 10th Floor, Building No.9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai – 400 708. Tel: 022 61169000 / 61150000, Fax No. 61169699; **Other registrations of Sharekhan Ltd.:** SEBI Regn. Nos.: BSE / NSE / MSEI (CASH / F&O / CD) / MCX - Commodity: INZ000171337; DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669; **Compliance Officer:** Ms. Binkle Oza; Tel: 022-62263303; email id: complianceofficer@sharekhan.com; For any complaints/grievance, email us at igc@sharekhan.com or you may even call Customer Service desk on - 022- 41523200/022 - 69920600; **Disclaimer:** Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.sharekhan.com; Investment in securities market are subject to market risks, read all the related documents carefully before investing.