INVESTMENT STRATEGY

MUTUAL FUND PORTFOLIOS

November 2024

November 2024

Market Outlook

Nothing more than a pullback!

Changing Global Dynamics

Important events globally add to volatility

Global Action: Slew of developments affecting markets across regions

Understanding key developments lately & its fallout:

#1: China's mega stimulus fails to make impact

Since September, the Chinese government has announced several measures to support the economy; including interest rate cut, incentive for real estate buys and liquidity infusion in two tranches of over $1 trillion each. The move did attract some foreign investors which resulted in tactical selling in India.

#2: Donald Trump returns – contrary to expectations the geopolitical tension flare up

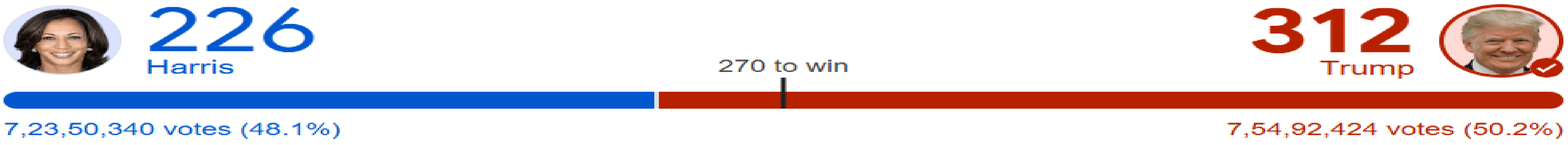
Donald's Trump's victory was expected to cool off geopolitical tensions. However, the Russia-Ukraine crisis seem to have flared up even before the 47^{th} US President could step into White House. The situation also remains volatile in Middle East region.

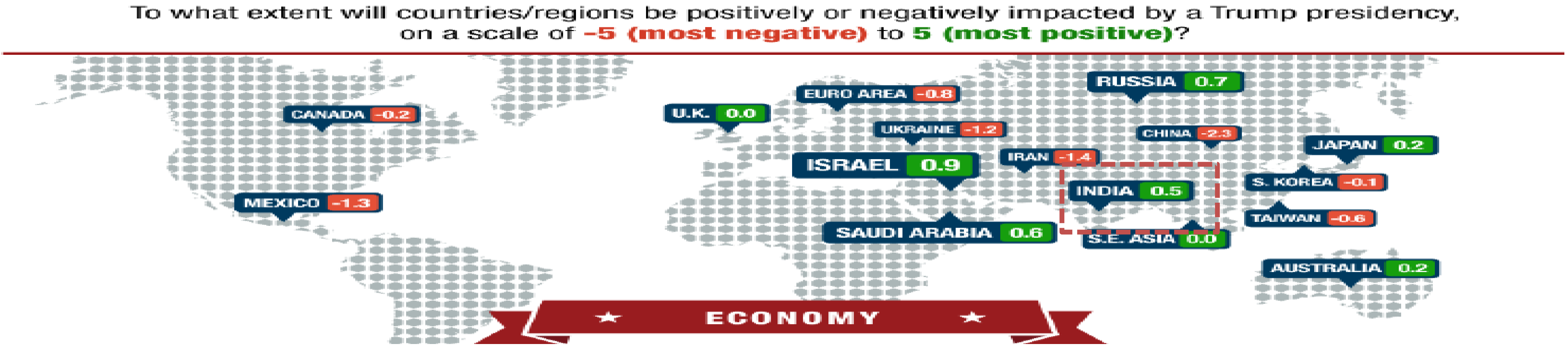
#3: Strengthening US Dollar and potential tariff war

- US Dollar Index has crossed the 107 mark and a strong USD is not good for emerging markets. Moreover, it remains to be seen how the Trump administration follows up on tariffs to curtail imports especially from China.

US Election: Trump is Back!!

Donald Trump secured a historic second term as the US president. **<u>Surprisingly, Trump has also won the popular vote.</u>** Republican Party likely to have made a clean sweep by taking back control of the Congress and Senate; hence President would be able to take tough decisions without much opposition now.





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Trump is Back : Three key policy planks of his campaign

America First: Boost local industry and secure jobs for local Americans

- *Revamp immigration policy*

- *Higher tariffs to curtail imports of goods & services*
- *Cut corporate tax rates*

Health & Energy: Biosecure Act to reduce prices of prescription drugs; Liquid gold – Oil

- *Encourage branded generic drugs*

- *Encourage oil drilling in the US to control & keep oil prices low; cut climate regulations*

End geopolitical conflicts

- *Put an end to the Russia-Ukraine conflict. But there is flare up as of now.*


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Higher tariffs + Protectionism + Stretch in federal budget

=

Strong USD + Weak Global Trade + Delay in interest rate cut

Implications on emerging markets and India:

- Dollar posted its biggest gain against major currencies since 2020 and treasury yield surge, emerging market currencies weaken along with the Indian Rupee.
- India's exports may get further impacted owing to softer global trade.
- China may announce further mega stimulus to drive economy, in event of higher tariff from US (more FIIs flow to China relative to India).
- A stronger US Dollar plus a lower cut from the Fed and will delay rate cut from the RBI. Also, a strong US Dollar leads to FII outflows from emerging markets.

Nevertheless, rhetoric and reality are often vastly different. What the actual effect of Trump's second term will be depends a lot on how much of his rhetoric he would translate into policies.

Indian Economy

Primed for multi-year upcycle

Indian Economy: Infra/real estate firing well; Corp capex to pick up with consumption uptick

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
- Inventory level has come down from 44 months to 15 months and new projects are getting absorbed at higher price points.

INFRASTRUCTURE

(Infra spendings remain a key booster)

- Budgetary allocation for capex has been going up substantially – from Rs3.3 trillion in FY2020 to Rs11 trillion in FY2025.
- Public sector and favourable policies in defence/railways adding to the investment upcycle in the infrastructure sector.

Encouraging signs in Corp capex; but consumption demand remains the weak link as of now

CORPORATE CAPEX

(Set for an expansion spree)

- Reasonably high capacity utilisation levels and overall deleveraging of corporate balance sheets and cleaning up of bank balance sheets sets stage for private sector capex cycle.
- Government playing its part through policy measures like PLI.
- Weak consumer demand is the only dampner as of now.

CONSUMPTION

(Multi-fold growth potential)

- Rural demand has been weak for few years; urban demand also slowed down in past one year.
- Good news is the positive commentary on rural demand for leading FMCG players
- Per capita income to surge to $4800-5000 in 7/8 years is structural growth story

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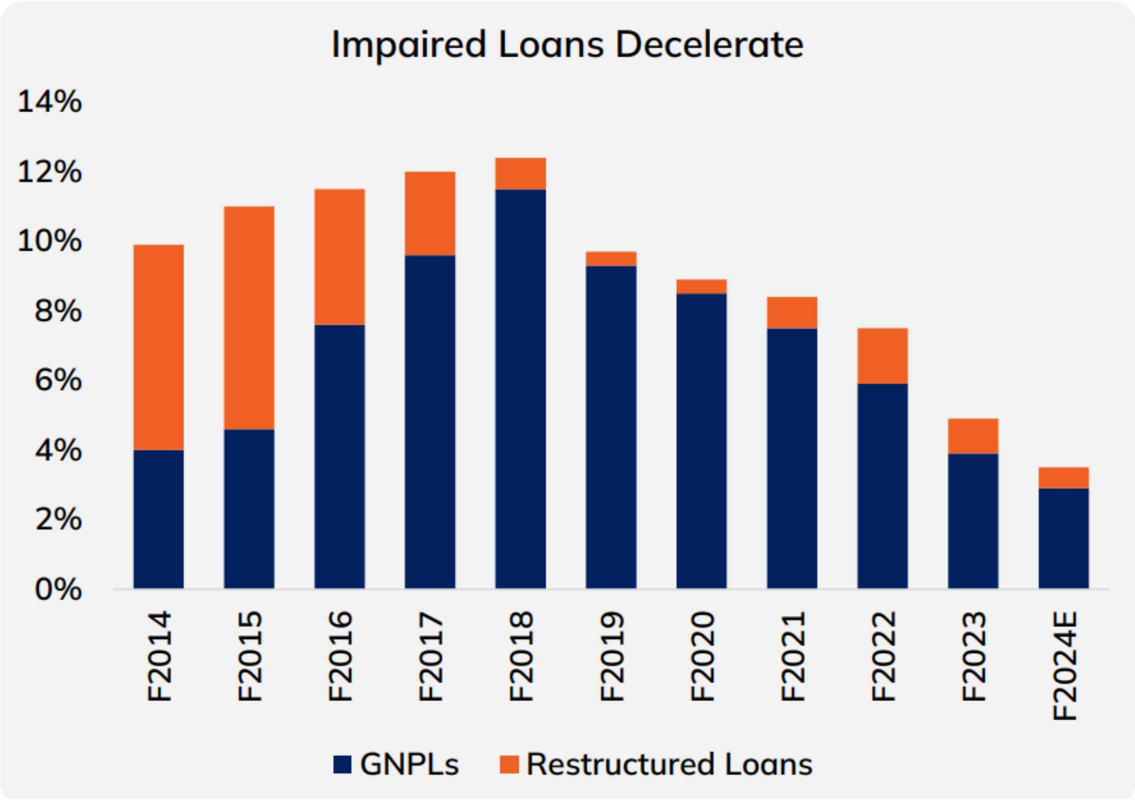
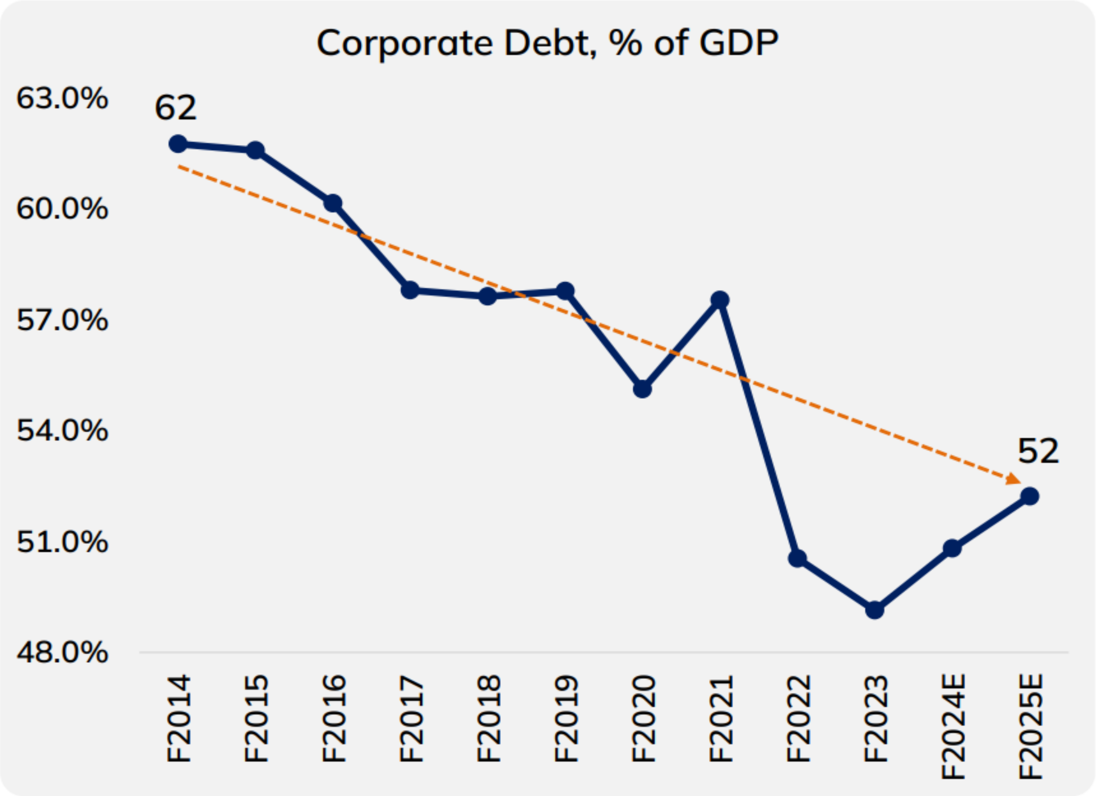
Macro factors in place for beginning of a private sector capex cycle

Visible revival in private capex along with sustain

Banks are in good shape now…….



…..and Corporate India deleveraged

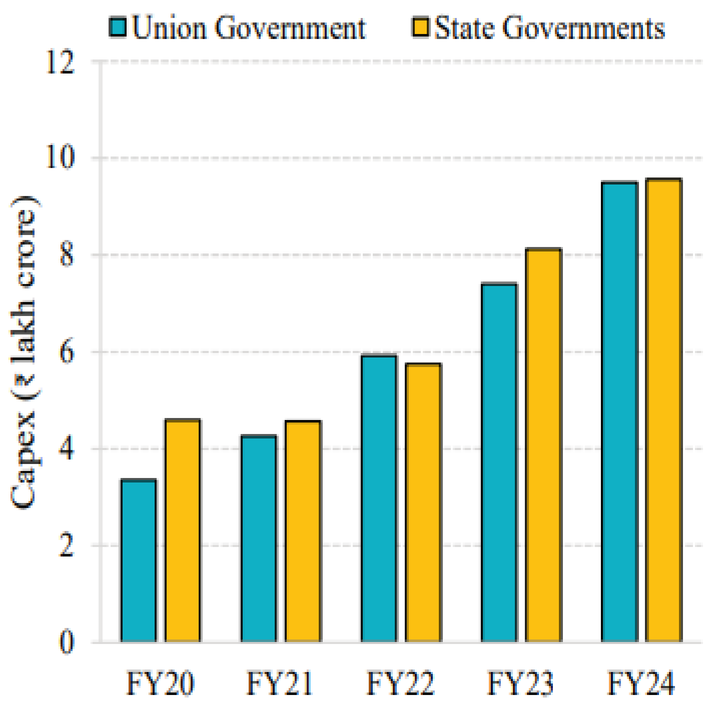


Source: Industry Reports, Sharekhan Research

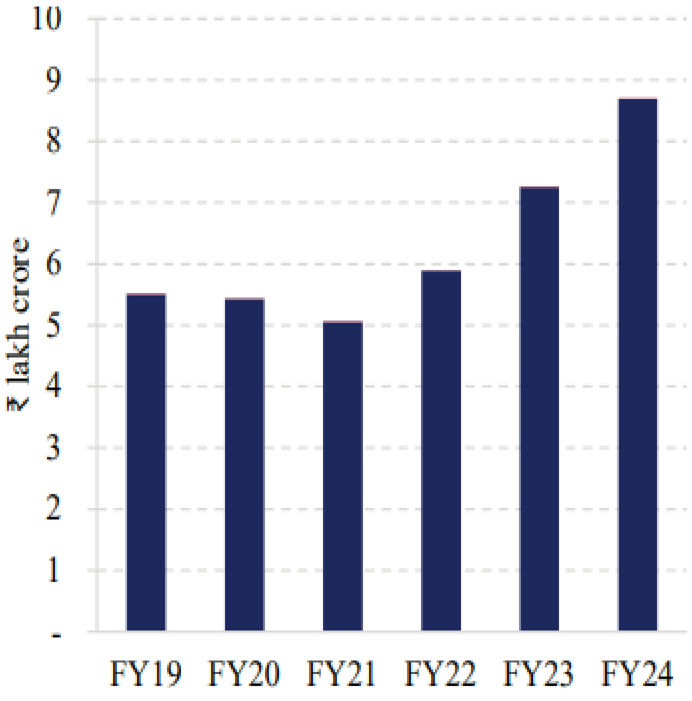
Corporate Investment Cycle: On a Cusp of a Multi-year Upcycle

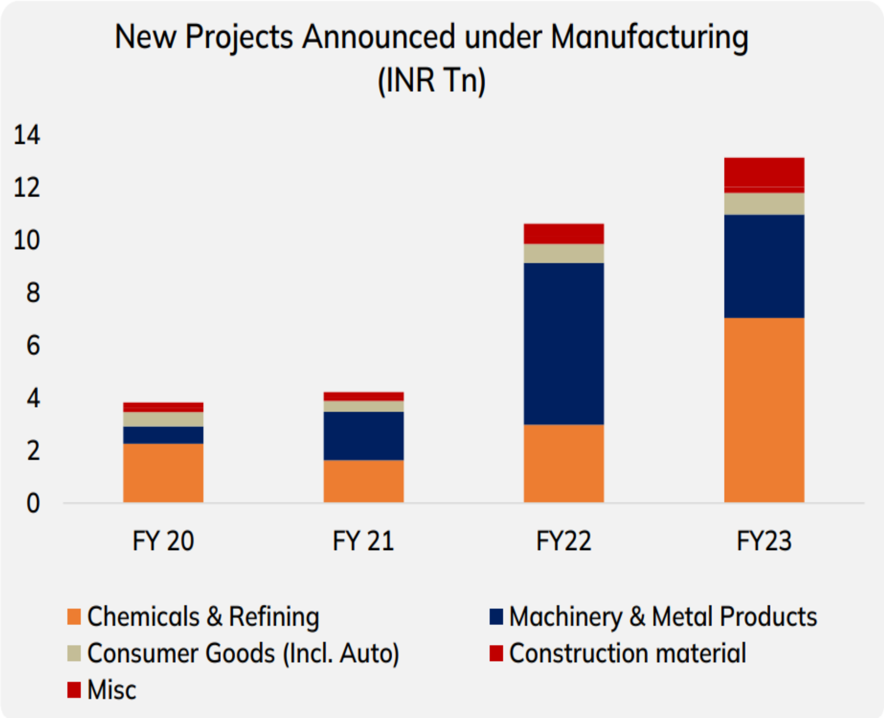
- A visible revival in private capex along with sustained pick up in govt capex bodes well. A record capex of Rs 26-27 lakh crore vis-à-vis Rs 12-13 lakh crore four years back will continue to foster momentum.
- Private sector deleveraging and bank balance sheet back in shape to support expansion plans.

Govt Capex increased from Rs 8 tn in FY20 to Rs 19 tn in FY24 (2.4x increase)



Corp Capex increased from Rs 5.5 tn in FY20 to Rs 8.5 tn in FY24 (1.5x increase)





Source: Economic Survey Report; Industry Reports, Sharekhan Research

Interest rate cut cycle begins now....

US Fed announced policy rate cut of 50 bps!

What's more, it has an aggressive rate cut path ahead:

- *Another 50 bps in 2024*
- *Followed 100 bps in 2025 and 50 bps in 2026*

A total of 250 bps rate cut means that there will be trillion of dollars in fixed income looking to move to high yielding assets including equities in emerging markets.

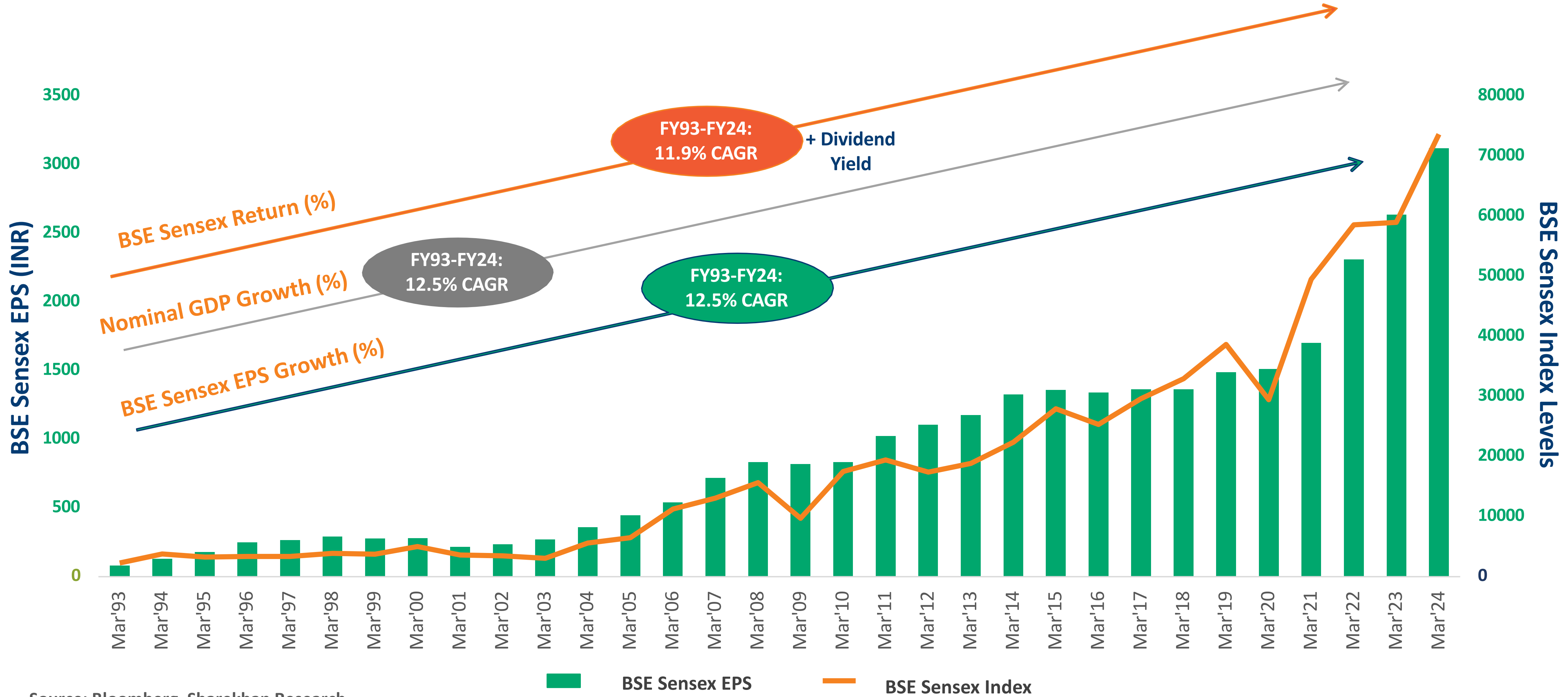
The RBI is likely to follow with first rate cut in late 2024 and we could see 100-125 bps rate cut by end of 2025.

Source: Industry Reports, Sharekhan Research

Corporate Earnings & Valuations

Rally driven by growth in earnings

Nominal GDP, corporate earnings and BSE Sensex Returns



Source: Bloomberg, Sharekhan Research

Nifty – Valuation in line with historic averages

Month End	BSE Sensex Levels	BSE Sensex EPS (INR)	BSE Sensex P/E Trailing (x)	BSE Sensex P/B Trailing (x)	BSE Sensex RoE Trailing (%)
Sep 2024	84300	3353	24.8	4.0	15.7
Sep 2023	65828	2897	22.7	3.5	15.2
Sep 2022	57427	2474	23.2	3.4	14.5
Sep 2021	59126	2006	29.5	3.8	12.9
Sep 2020	38068	1607	23.7	2.8	11.7
Sep 2019	38667	1502	25.8	3.1	12.0

Last 5 Years

BSE Sensex EPS

17.4% CAGR

123% Absolute Growth

BSE Sensex

16.9% CAGR

118% Absolute Growth

BSE Sensex TRI

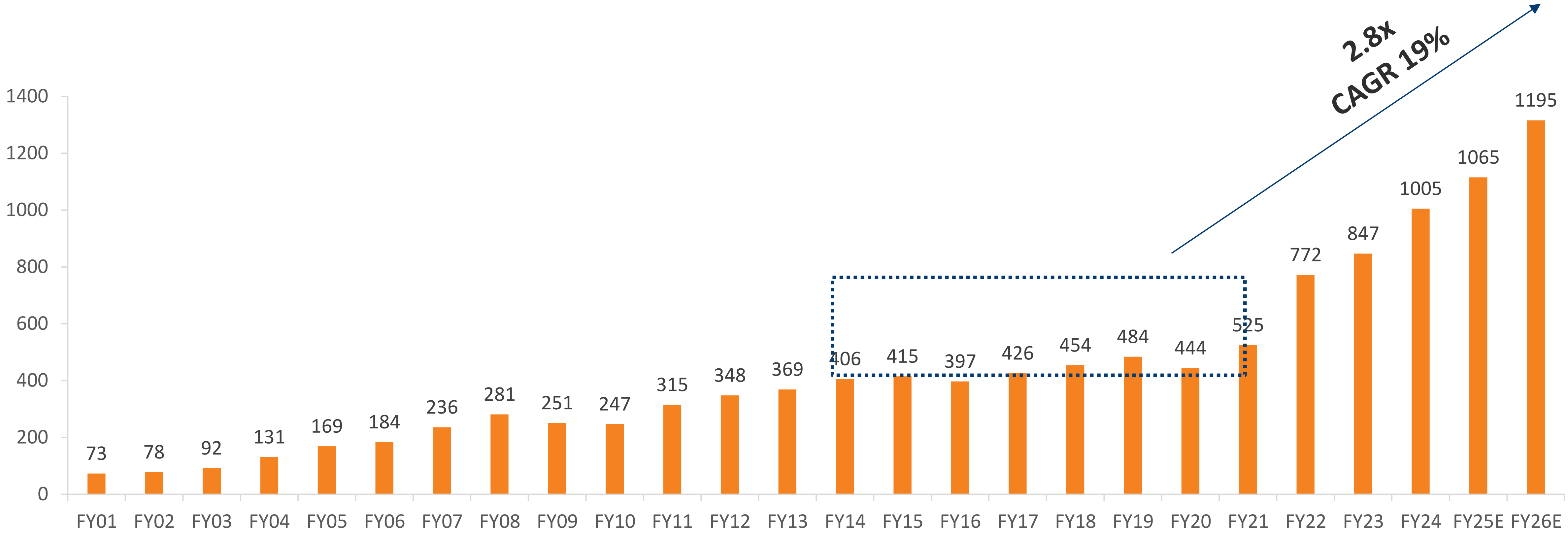
18.3% CAGR

131% Absolute Growth

Source: Bloomberg, Sharekhan Research

Strong corporate earnings growth has supported the rally

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



Source: Company; Sharekhan Research

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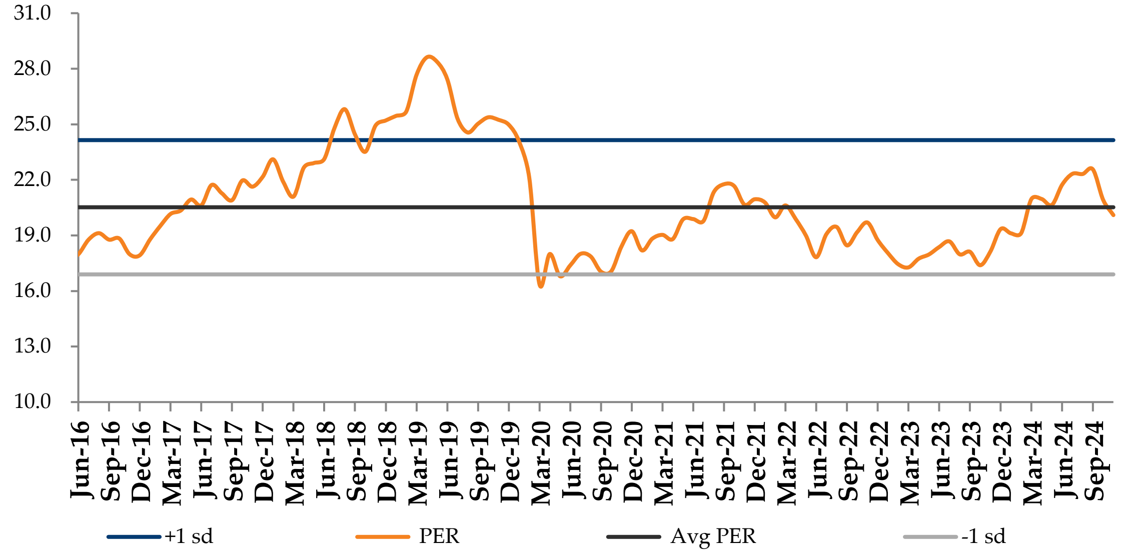
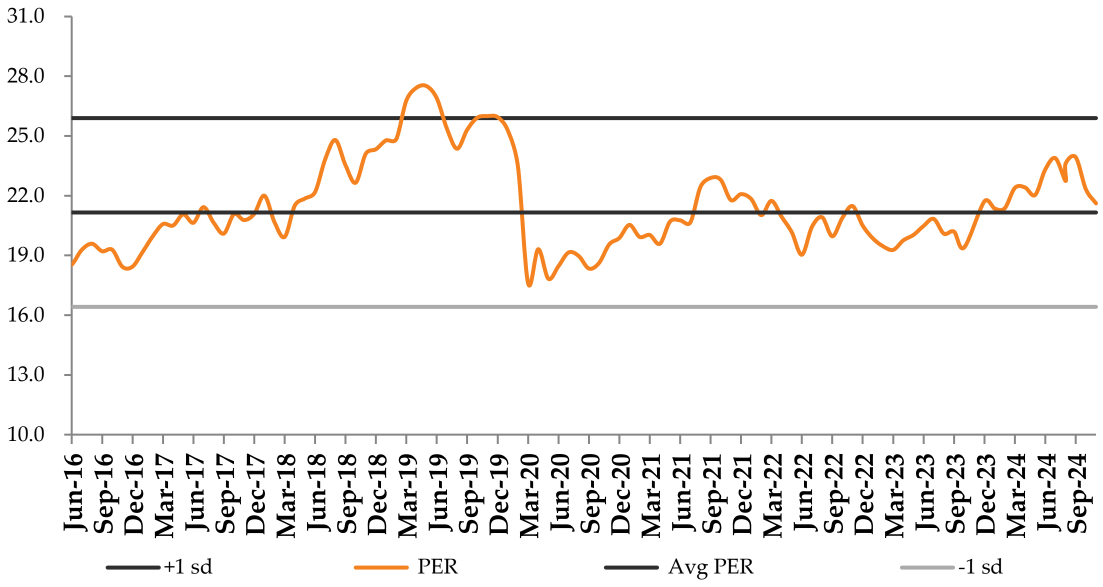
Valuation: Recent correction turns valuations at par of historical avg; though India deserves premium

- The Nifty trades at 21x and 18.7x of FY25E and FY26E earnings, respectively, which is a mostly at par to long term average multiples.
- However, strong underlying strength of economy and corporate earnings should aid to sustain premium valuations.

One-year forward PE chart of Nifty



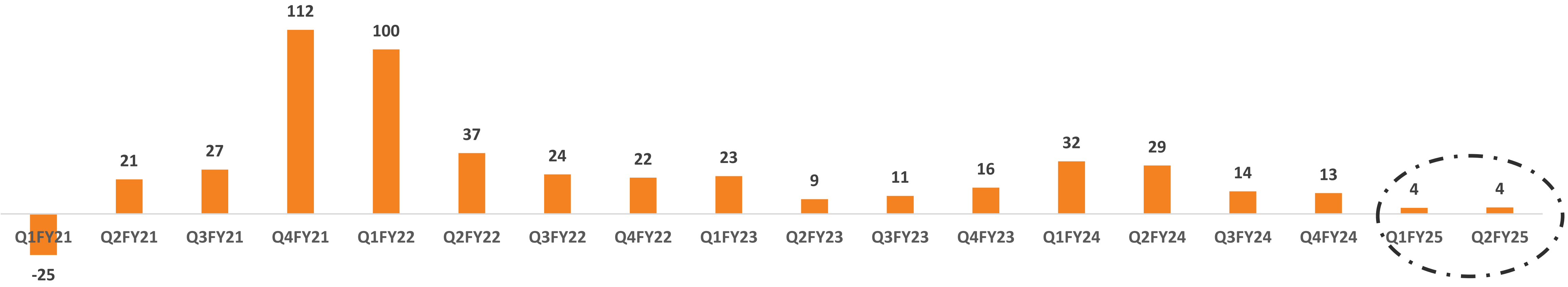
One-year forward PE chart of Sensex



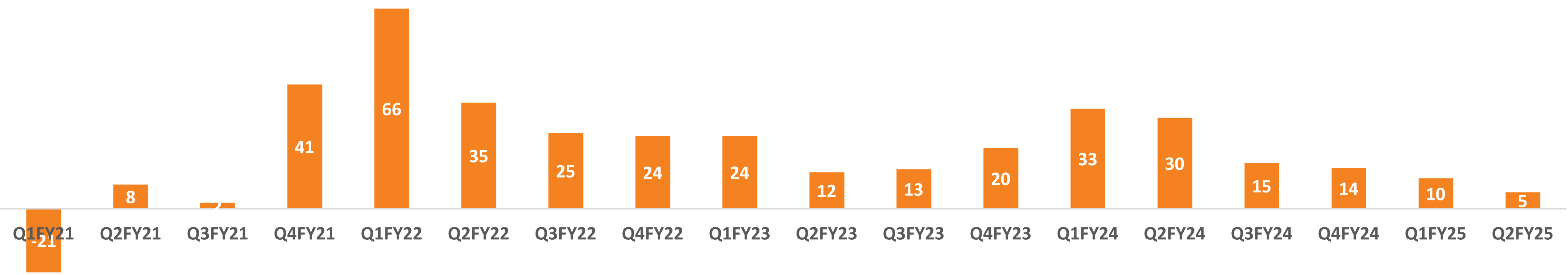
Source: Bloomberg; Sharekhan Research

Concerns #1: Earnings growth momentum slows down sharply since Q1FY2025

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

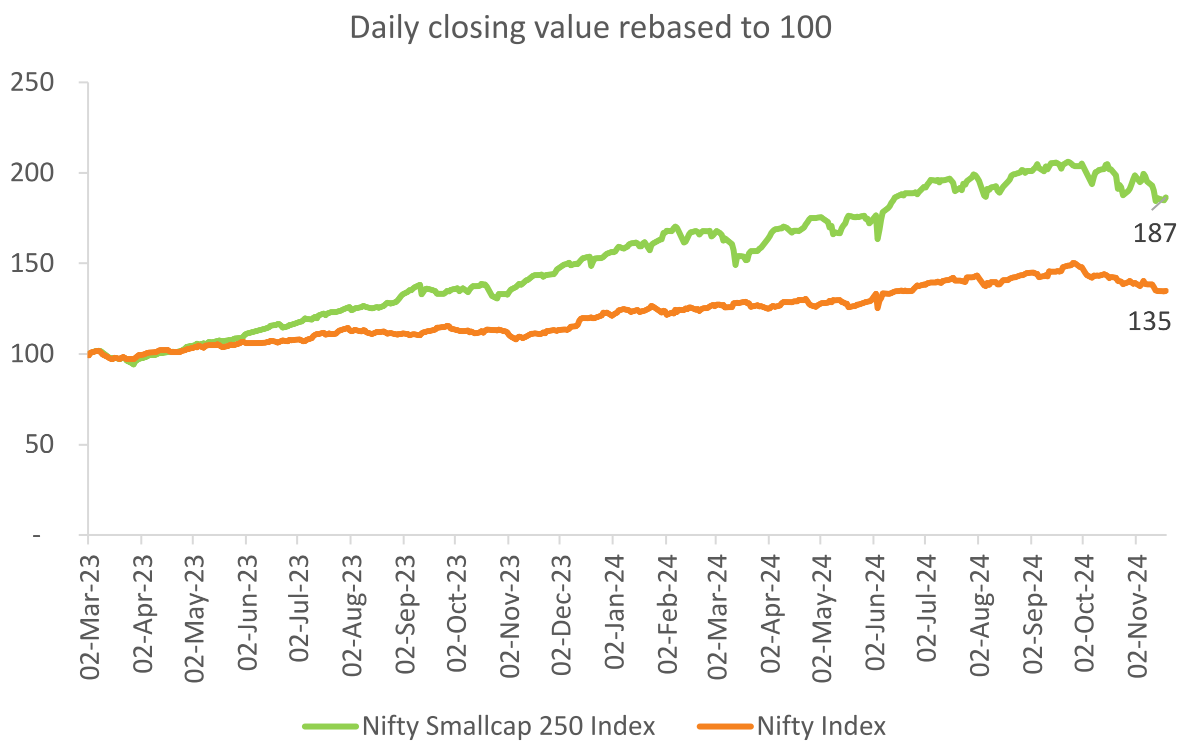


Sensex Cos Earnings Growth (% Y-o-Y)



Concern #2: Valuation stretched in Small/Microcapss

- BSE Smallcap Index trades at 50% premium to Nifty in terms of trailing valuations.
- Smallcap/microcap have period of 17-18 month of upcycle followed by corrective phase of 12-15 months. As cycle has almost completed and the correction has set in the broader markets



Period	No. of months	Price at the beginning	Price at the end	Upside (%)
Jun'04-Apr'06	22	786	2,896	268%
Aug'06-Dec'07	16	2,671	5,801	117%
Apr'09-Dec'10	20	1,841	4,101	123%
Sep'13-Feb'15	16	2,739	5,689	108%
Mar'16-Dec'17	21	4,885	9,093	86%
Apr'20-Jan'22	21	4,078	11,116	173%
Mar'23-Sept'24	17	8,995	18,411	105%

Source: Sharekhan Research

Small-Cap/Micro-Cap: Risk-Reward not favourable anymore

Month End	Small Cap (251st Rank onwards) % to Total Market Capitalisation			Nifty Smallcap 250 TRI (% CAGR)		
	As on Date	Last 5 Years Average	Premium/Discount over Last 5 Years Average	Next 1 Year	Next 2 Years	Next 3 Years
Dec-13	**10.4**	**11.8**	**-12%**	**72%**	**38%**	**25%**
Dec-14	**12.5**	**11.9**	**5%**	**11%**	**6%**	**21%**
Dec-15	13.3	11.7	14%	1%	27%	6%
Dec-16	14.0	11.9	18%	58%	8%	3%
Dec-17	16.3	12.5	30%	-26%	-17%	-5%
Dec-18	**13.1**	**13.3**	**-1%**	**-7%**	**8%**	**24%**
Dec-19	**10.5**	**13.3**	**-21%**	**26%**	**44%**	**26%**
Dec-20	**10.9**	**12.9**	**-15%**	**63%**	**26%**	**33%**
Dec-21	14.6	12.9	14%	-3%	20%	
Dec-22	14.6	12.8	14%	49%		
Dec-23	18.3	13.2	38%			
Sep-24	19.7	14.2	38%			

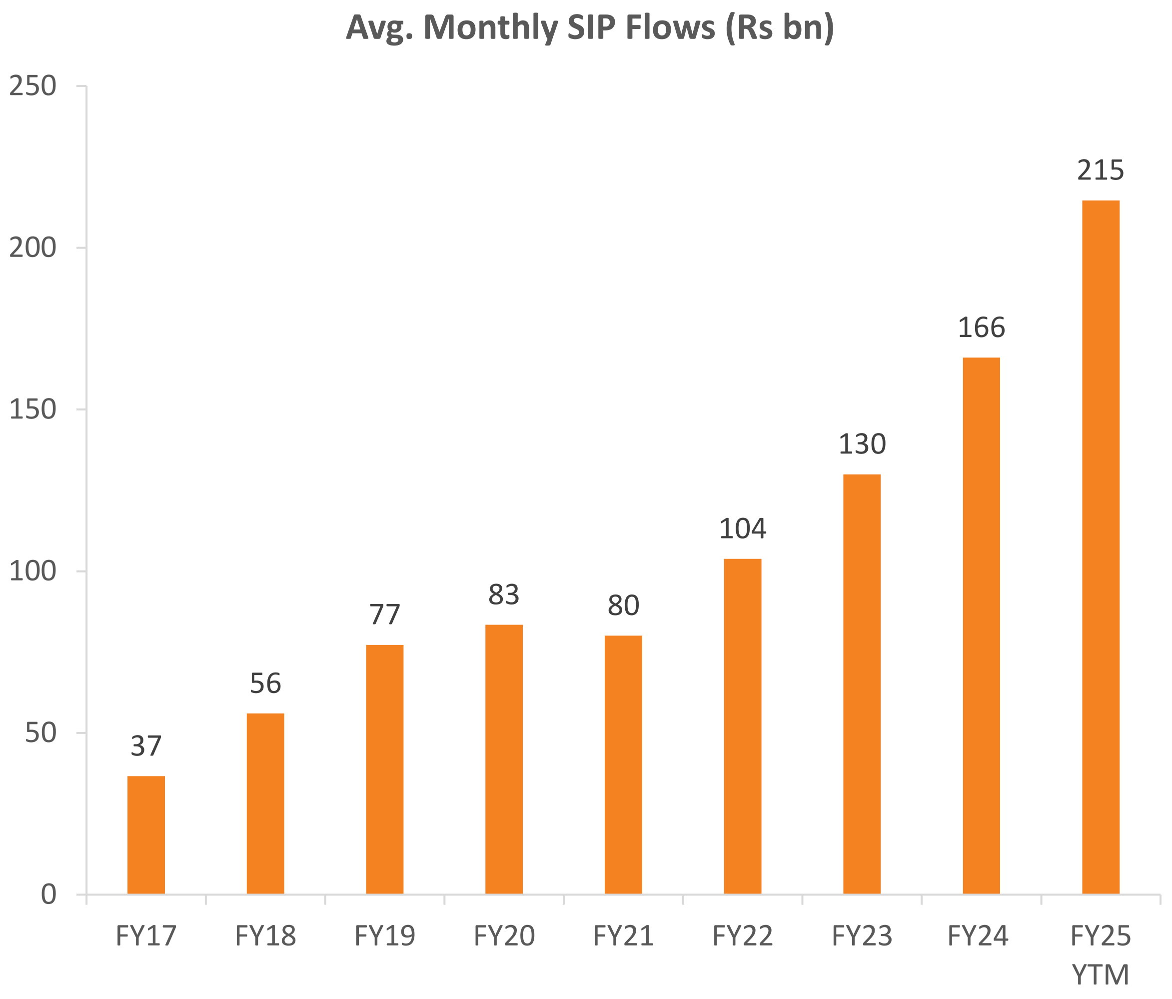
Source: Sharekhan Research

FIIs Selling! How far it can goes..

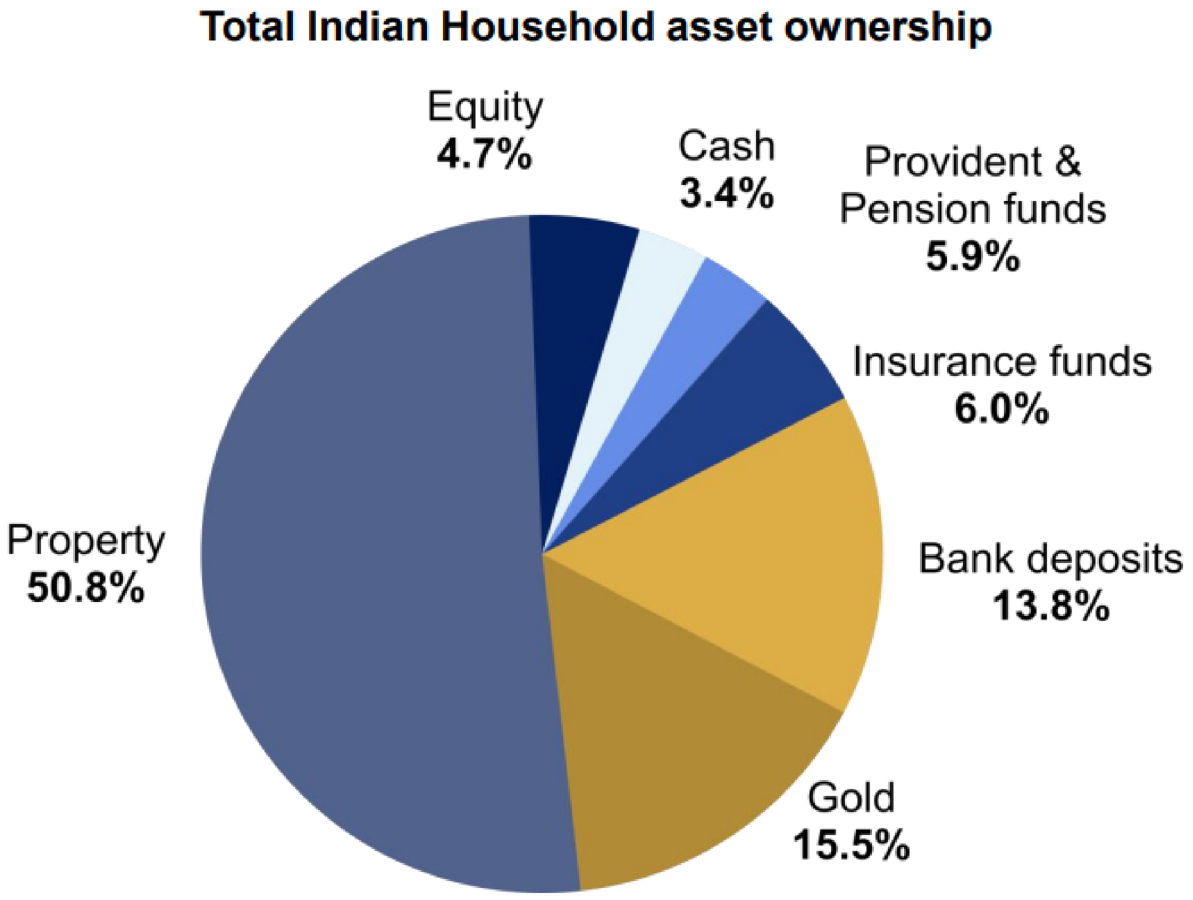
One of the highest outflows in absolute terms, but the true picture is reflected by the percentage of average market capitalization and FII holdings!

Start Date	End Date	Event	FII Outflows (in $ Bn)	Avg Market Cap (in $ Bn)	Outflow as % of Avg Market Cap	FII ownership of BSE 500		BSE 500 Index (Peak to Trough)	BSE 500 Index (12 Months from Trough)
						From	To		
Jan-08	Mar-09	Global Financial Crisis	-15.4	~1,000	-1.5%	16.0%	13.2%	-66.0%	127.6%
Jul-11	Oct-11	US Credit Rating Downgrade	-2.7	~1,315	-0.2%	15.3%	15.5%	-13.1%	18.6%
Jun-13	Sep-13	Taper-Tantrum	-3.7	~1,033	-0.4%	19.5%	19.4%	-10.1%	59.7%
Apr-15	Feb-16	Yuan Devaluation	-7.8	~1,500	-0.5%	20.7%	21.4%	-16.4%	32.5%
Oct-16	Jan-17	Fed Hikes / Demonetisation	-5.3	~1,604	-0.3%	21.6%	21.3%	-10.8%	43.0%
Apr-18	Nov-18	NBFC Crisis	-7.9	~2,139	-0.4%	20.6%	20.3%	-7.8%	15.1%
Jun-19	Sep-19	Slowdown	-5.0	~2,007	-0.2%	21.1%	20.8%	-10.0%	10.0%
Feb-20	Apr-20	Onset of Covid-19	-10.6	~1,669	-0.6%	21.2%	19.8%	-37.3%	98.8%
Nov-21	Jul-22	Geo-political worries	-34.9	~3,315	-1.1%	20.5%	18.1%	-16.7%	24.7%
Sep-24	Oct-24	Currently Ongoing	-10.3	~5,500	-0.2%	18.3%	??	-6.9%	??

Domestic inflows have been strong & cushioned the impact of FII selling



Source: AMFI, Sharekhan Research



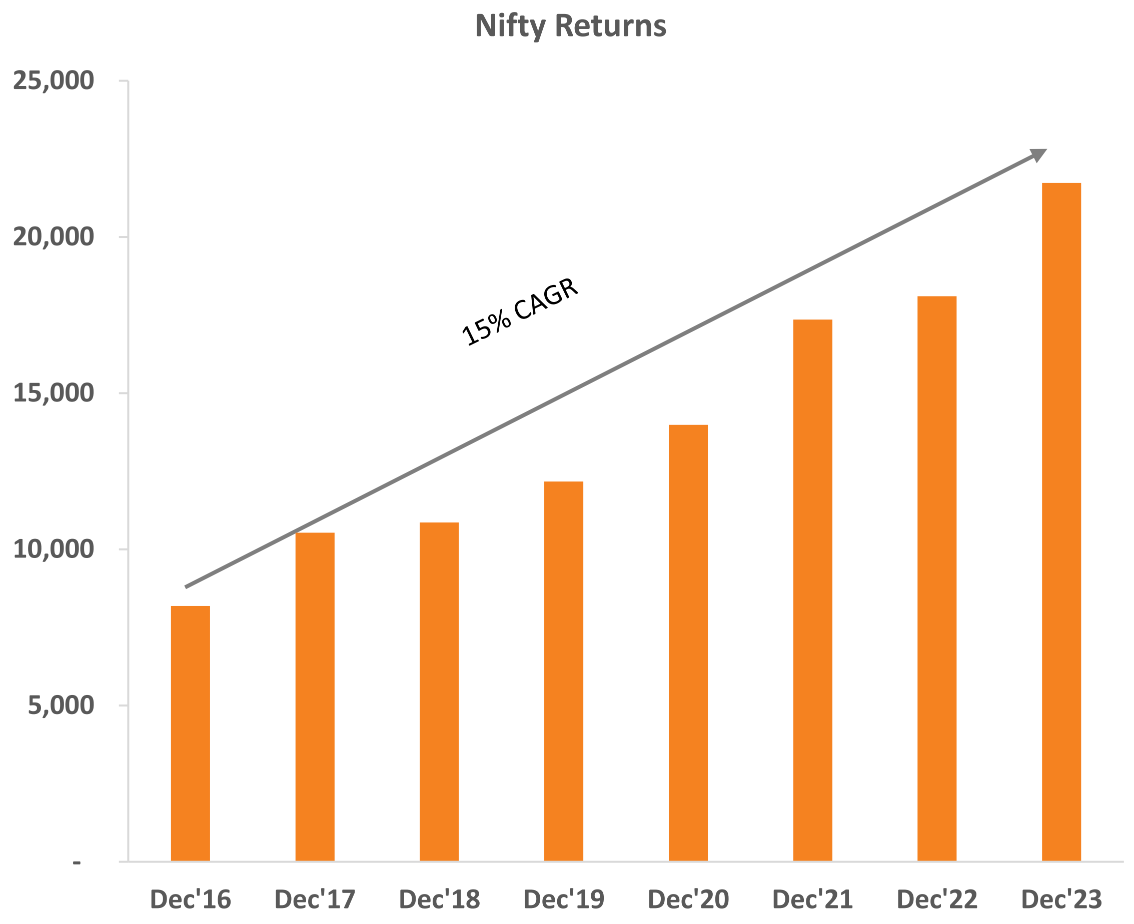
Focus on the opportunity ahead rather than near-term concerns

Nifty: Healthy Returns despite major events in India and Globally

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

Major events include:

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

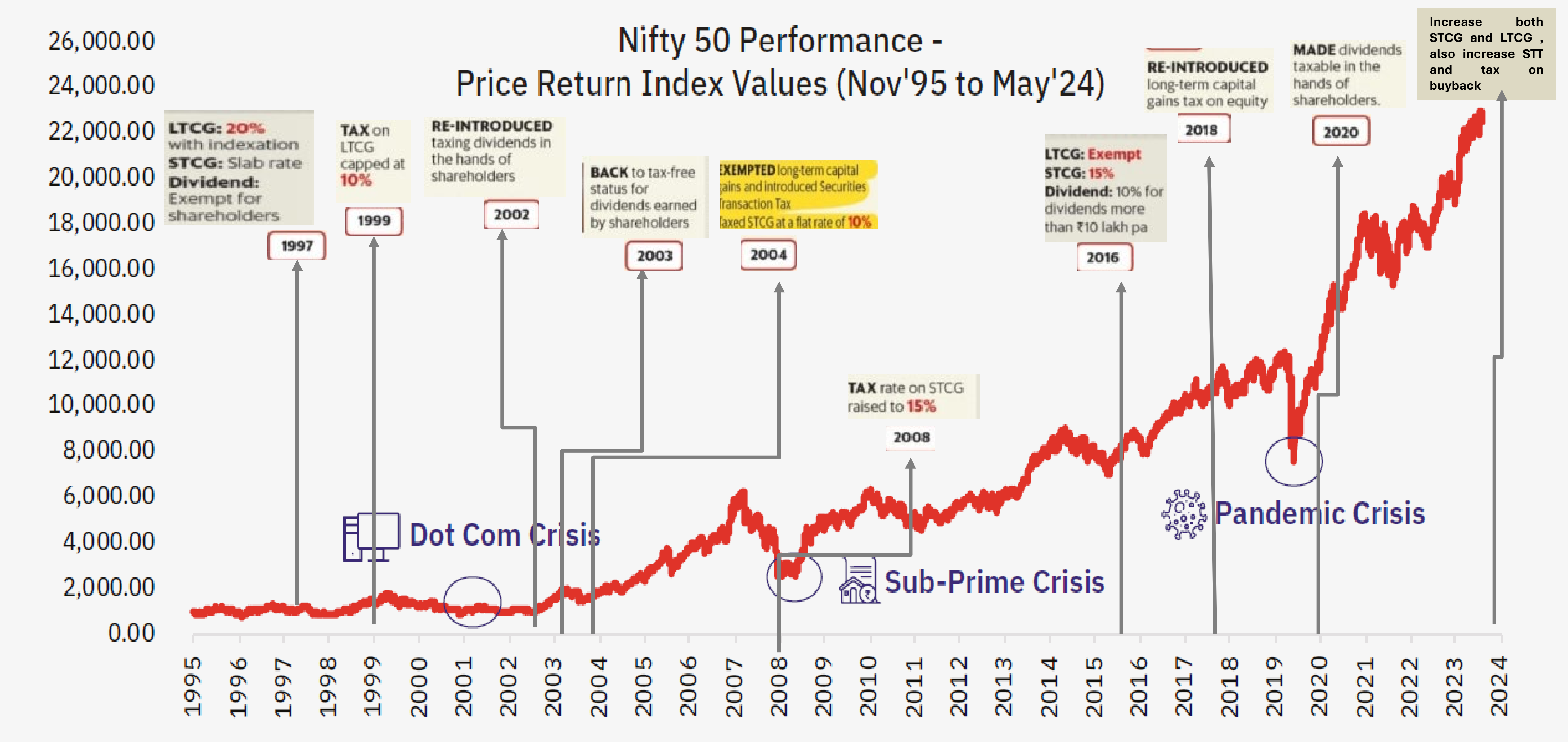


Source: Bloomberg, Sharekhan Research

"There's No Rocket Science in wealth creation, rather it's simple Maths."

The Sensex's return CAGR over the past 20 years has been 15.1%, as measured by the Total Return Index. Rs. 1 lakh becomes Rs. 17 lakh, or a 16x return ..

In equity market, patience pays!



Is it just a pullback?

- The benchmark indices, Nifty/Sensex, have corrected by close to 9-11% led by sustained selling pressure from foreign investors in the past couple of months. In fact, FII selling has crossed Rs. 1.5 lakh crore.

- FII selling was triggered by the tactical shift of money to China post the mega stimulus and overall selling pressure due to rising bond yields in the US. Lacklustre earnings growth in the Q2FY25 result season added to weakness in sentiments. Thankfully, domestic institutions have been buyers and have cushioned the downside.

- The slowdown persisted in the Q2 results season too. The big disappointment has been the sluggishness in consumer spending and growing pressure on margins in the manufacturing space. Moreover, asset quality issues in the unsecured loan segment is causing earnings downgrades in financials and some banks.

- The culmination of global and domestic concerns have brought about a much-awaited correction in equity markets. The Nifty does give a pullback of 8-12% almost every year and it turns out to be a buying opportunity in hindsight. However, risk-reward is still not favourable in certain pockets of small-cap/micro-cap stocks.

- Over the medium term, the focus should be on the **BIG PICTURE** of a 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.

DEBT/ FIXED INCOME UPDATE & OUTLOOK

US election and impact on bond yields

Donald Trump from the US Republican party won the presidential race by a much higher margin than expected. The market has reacted to Trump's victory, with bond yields rising sharply. The upward trajectory of bond yields suggest that Trump's economic policies could be inflationary.

Higher inflation

- The Republican party could continue its expansionary fiscal policy via tax cuts and possible return of tariff war. The tariff war would raise the prices of imported goods, which could keep US inflation at elevated level. However, the overall impact will depend on the degree of tariff implemented.

Fiscal Deficit

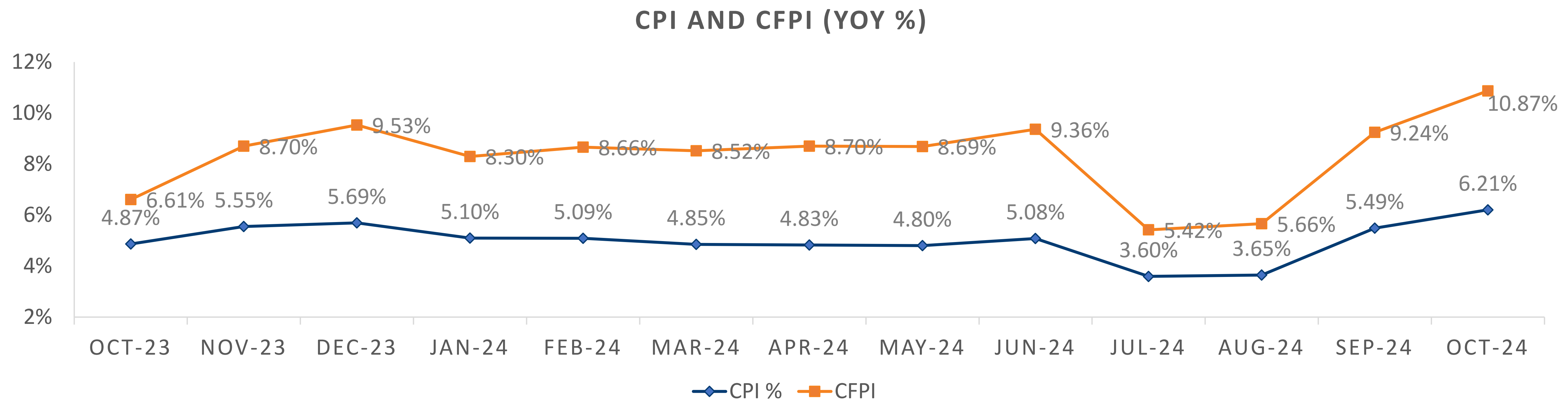
- Fiscal policy is expected to remain expansionary which could improve consumption spending in the US economy, further the tax cuts are likely to widen fiscal deficit.

Fewer rate cuts

- High inflation due to expansionary policy and wider fiscal deficit would keep yield at high and there would be fewer rate cuts than expected.

Impact on Domestic Yields: - The US bond yields is in upward trajectory after the US election and the domestic yields also followed this upward trend. There is an expectation that the US Fed will slow the pace of rate cuts under trump's administration, as a result the bond yields are likely to trade higher than expected and this would keep upward pressure on domestic bond yields.

Consumer Price Index (CPI) Inflation



CPI inflation was in an upward trend from last three months and elevated to 6.21% on Oct-24. The CPI inflation move above the RBI's upper band tolerance level of 6% after 14 months. Food inflation was the major contributor to this uptick in CPI inflation.

- Food & Beverages, which have the highest weight of 54.2%, rose to 9.69% in Oct-24 as compared to 8.36% in the previous month. This uptick driven by elevated prices in vegetables as it moves by 42.18% as compared to 36% in the previous month. The inflation ease in pulses and products, Eggs, Sugar & confectionery and contracted in spices by -7%, which helps to ease overall food inflation. The fuel and light is in contraction for the last fourteen months and further contracted by -1.61%.

- Core inflation saw a minor uptick of 20bps and move to 3.7% and it is trending below the RBI's CPI target of 4% from last eleven consecutive months.

Index of Industrial Production (IIP)

The IIP growth rebound to 3.1% on Sept-24 as compared to contraction of -0.1% in the previous month. The growth in manufacturing was the major contributor as it grew by 3.9% as compared to growth of 1.1% in the previous month. The mining and electricity have nominal growth as compared to contraction in the previous month.

- **Mining:-** The mining activity grew by 0.2% in Sept-24 compared to contraction of -4.3% in the previous month. on a month-on-month basis the activity grew by 4.3% as compared to contraction of -7.8% in the previous month.

- **Manufacturing:-** It has the highest weightage of (77.6%) in the IIP. The activity accelerated to 3.9% in Sept-24 as compared to growth of 1.1% in the previous month. Among the major manufacturing items, " Manufacture of coke and refined petroleum products" which has weight of 11.77% grew by 5.3% and "Manufacture of electrical equipment" which has weight of 3% grew by 18.7%. These two are the major contributors to overall growth in IIP. Out of total 23 industries, 18 have recorded growth and others are in contraction.

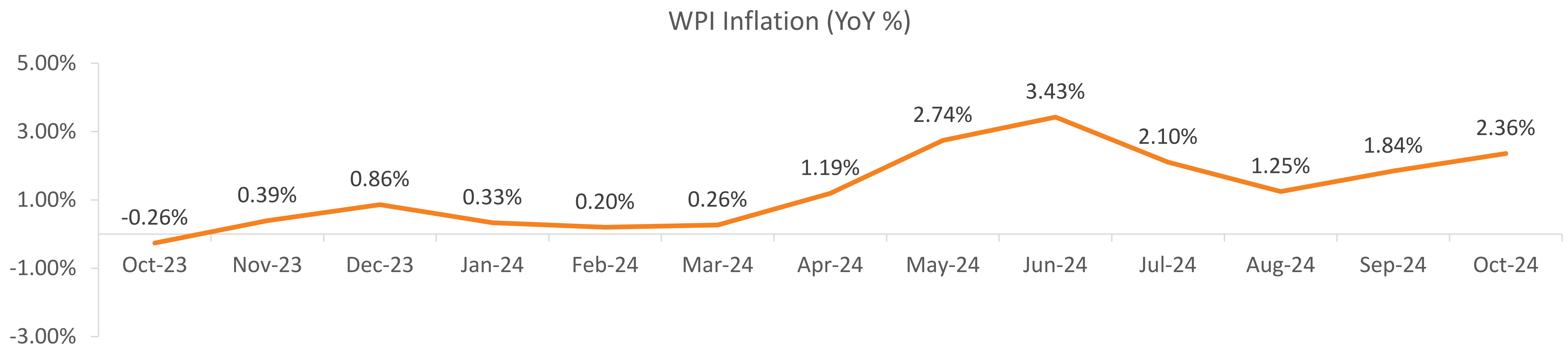
- **Electricity:-** The electricity output grew by 0.2% in Sept-24 as compared to contraction of -4.3% in the previous month.

GROWTH IN SECTORAL			
	Jul-24	Aug-24	Sep-24
MINING	3.8%	-4.3%	0.2%
MANUFACTURING	4.4%	1.1%	3.9%
ELECTRICITY	7.9%	-3.7%	0.5%
GENERAL	4.7%	-0.1%	3.1%
GROWTH IN USE-BASED CLASSIFICATION			
PRIMARY GOODS	5.9%	-2.6%	1.8%
CAPITAL GOODS	11.8%	0.5%	2.8%
INTERMEDIATE GOODS	6.4%	3.0%	4.2%
INFRASTRUCTURE/ CONSTRUCTION GOODS	4.6%	2.2%	3.3%
CONSUMER DURABLES	8.3%	5.3%	6.5%
CONSUMER NON-DURABLES	-4.3%	-4.5%	2.0%

Source: MOSPI, Sharekhan Research

A broad-based recovery in consumption is important to improve industrial activity but the recent uptick in CPI inflation to 6.21% which was above the RBI's tolerance level could pose risk to consumption scenarios.

Wholesale Price Index (WPI) Inflation



WPI inflation continued on its upward trajectory and move to 2.36% on Oct-24 compared to 1.84% in the previous month. The uptick is attributed to increase in prices of food articles, manufacture of food products, other manufacturing, manufacture of machinery & equipment, manufacture of motor vehicles, trailers & semi-trailers, etc.

- Inflation in primary articles which has the weight of 22.6% in the WPI basket increased to 8% in Oct-24 compared to 6.6% in the previous month and was the major contributor to overall inflation. The inflation in food articles continue its upward trajectory and move to 13.5% in October 2024 as compared to 11.5% in the previous month. Within the food articles, the inflation in fruits & vegetables are the major contributors to food inflation as it increased to 42.4% as compared to 32.9% in the previous month. Within the vegetable's inflation, the onion (39.3%) and potato (78.7%) are the major contributors.
- The inflation in manufactured products remained stable at 1.5% in Oct-24 and the major contributors are “Manufacture of food products”, “Manufacture of machinery and equipment” and “Manufacture of motor vehicle, trailers and semi-trailers” as it grew by 7.8%, 1.6% and 1.5%, respectively.

Debt Market Wrap

Liquidity: The RBI will remain flexible in its liquidity management

- The interbank call money rate move above the repo rate at 6.65% on 26th Nov 2024 as the baking system liquidity move to deficit from positive.

- Banking system liquidity moved to deficit from positive levels in the previous month. It remained at Rs.-0.36 Lakh crore on November 26, 2024. Average banking liquidity for November 2024 remained at Rs. 1.6 lakh crore as compared to Rs. 1.5 lakh crore in the previous month. System liquidity ranged from Rs. -0.36 lakh crore to Rs.2.8 lakh crore in November 2024 (as of November 26, 2024).

Bond prices & other updates

- The 10-year 7.26% 2034 G-Sec yield settled at 6.84% on Nov 26, 2024 as compared to yield of 6.82% on 25th Oct 2024. The recent uptick in the yield was due to elevated CPI inflation and uptick in US bond yields.

- Banking system liquidity turned to deficit after two months on FPI outflows. The RBI inject liquidity in the system to manage liquidity.

- Donald Trump's victory in US presidential race by a much higher margin than expected. The market has reacted to Trump's victory with bond yields rising sharply.

- The Republican party could continue its expansionary fiscal policy via tax cuts and a possible return of a tariff war. The tariff war would raise prices of imported goods which could keep the US inflation at elevated level. The expansionary fiscal policy could widen fiscal deficit.

- CPI inflation was in an upward trend from last three months and elevated to 6.21% on Oct-24. The CPI inflation move above the RBI's upper band tolerance level of 6% after 14 months. Food inflation was a major contributor to this uptick in CPI inflation.

Debt Market Outlook

The CPI inflation and US bond yields could drive the domestic yields

- Bond yields are rising sharply after the Republican party won the US presidential race. The fiscal policy of the Trump administration could be inflationary due to tax cuts and a tariff war. This could widen fiscal deficit and imported inflation which could keep US bond yields at elevated level. Further, the US rate cuts trajectory would slower than expected.

- CPI inflation for October 2024 moved above the RBI upper band level of 6% to 6.21% after 14 months. Food inflation was the major contributor to this overall inflation as it move to 10.87% compared to 9.24% in the previous month. With arrival of fresh harvest is expected to ease some pressure on food prices.

- With CPI inflation trending above the RBI's upper band level and expectation of slower rate cuts trajectory of Fed, the central bank would move cautiously and is likely to maintain status quo on policy rates in the upcoming meeting.

Investment Strategy

• Bond yields are rising post the US elections, elevated CPI inflation and it is time to look at dynamic bond funds and refocus back on funds with 1-3 years modified duration. We also see prudence in having some allocation to multi-asset funds at this juncture to gain some exposure to precious metals along with healthy mix of equity and fixed income components.

Multi-asset Funds

Multi Asset Funds	Corpus (In crs.)	6 Months	1 Year	3 Years	5 Years
ICICI Prudential Multi-Asset Fund - Growth	48,201	13.5	32	21.3	22.9
UTI Multi Asset Allocation Fund - Growth	4,060	14	40.9	19.2	17.1
Nippon India Multi Asset Allocation Fund - Reg - Growth	4,344	14.2	36	17.2	--
HDFC Multi - Asset Fund - Growth	3,702	11.7	26.1	13.8	16.7
(Performance as on 1 Nov 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
ICICI	ICICI Prudential Multicap 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
HDFC	HDFC Balanced Advantage Fund
Mirae Asset	Mirae Asset Balanced Advantage Fund

Portfolio Composition

Corporate Bond & Short Duration 50%	Gilt & Dynamic Bond 30%	Dynamic Asset Allocation 20%

Minimum Time Horizon: 3 years
Review Frequency: 12 months

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

MUTUAL FUND MODEL PORTFOLIOS | Regular Income Basket

AMC	SCHEME NAME
Dynamic Asset Allocation	
ICICI Prudential	ICICI Prudential Balanced Advantage Fund
HDFC	HDFC Balanced Advantage Fund
Tata	Tata 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 Great Consumer Fund	The scheme seeks to generate long term capital appreciation by investing in equity and equity related securities of companies that are likely to benefit either directly or indirectly from consumption led demand in India.	Very High
Sectoral Funds- IT		
Tata Digital India Fund	The scheme seeks long term capital appreciation by investing atleast 80% of its net assets in equity/equity related instruments of the companies in Information Technology Sector in India.	Very High
Flexi Cap Funds		
ICICI Prudential Multicap Fund	The scheme seeks to generate capital appreciation through investments in equity & equity related instrument across large cap, mid cap and small cap stocks of various industries.	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 crs.)	1 Year	3 Years	5 Years
ICICI Prudential Manufacturing Fund - Reg - Growth	Thematic	6,717	50.8	25.2	26.5
UTI Transportation and Logistics Fund - Growth	Thematic	3,478	43.2	23.8	21.8
Mirae Asset Great Consumer Fund - Growth	Thematic	4,118	35.5	18.3	20
Tata Digital India Fund - Reg - Growth	Sectoral	11,835	44	10.2	27.7
HDFC Flexi Cap Fund – Growth	Flexi Cap	64,929	44.6	23	23
ICICI Prudential Multicap Fund – Growth	Multi Cap	14,152	44.6	19.8	21.6
(Performance as on 01 Nov 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 crs.)	1 Year	3 Years	5 Years
International Schemes				
Mirae Asset S&P 500 Top 50 ETF Fund of Fund - Reg – Growth	551.3	44.7	14.3	--
Kotak NASDAQ 100 Fund of Fund - Reg – Growth	3,184	42.2	13	--
ICICI Prudential US Bluechip Equity Fund – Growth	3,221	29.9	10.1	15.5
MF Schemes with International Allocation				
Axis Growth Opportunities Fund - Reg - Growth	13,780	39	14.3	22
SBI Magnum Global Fund - Growth	6,550	13.9	8.6	15.2
(Performance as on 01 Nov 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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Compliance Officer: Ms. Binkle R. Oza; Tel: 022-62263303; e-mail: complianceofficer@sharekhan.com Contact: myaccount@sharekhan.com

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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 Address** - Gigaplex IT Park, Unit No 1001, 10th Floor, Building No.9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai – 400708. Tel: 022 61169000 / 61150000, Fax No. 61169699. **Other registrations of Sharekhan Ltd.:** SEBI Regn. Nos.: BSE / NSE (CASH / F&O / CD) / MCX - Commodity: INZ000171337; BSE – 748, NSE – 10733, MCX – 56125, DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669 (date of initial registration: 03/07/2004, and valid till 02/07/2026); IRDAI Registered Corporate Agent (Composite) License No. CA0950, valid till June 13, 2027. **Compliance Officer:** Ms. Binkle R. 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.