

Mirae Asset Equity Savings Fund (MAESF)

(An open ended scheme investing in equity, arbitrage and debt)

PRODUCT UPDATE August 2021

IDEAL INVESTOR PROFILE



Balanced Investing
between Equity,
Debt and Arbitrage



Tax Efficiency



May Consider
Alternative of
Traditional Investments

ABOUT THE FUND:

The fund aims to strike the right balance between potential growth through equity and relative stability of arbitrage & debt instruments.

Ideally Equity allocation is managed within the range of (+/-5%) from 40%.



20-70%

Allocation to
Arbitrage
Strategies



20-45%

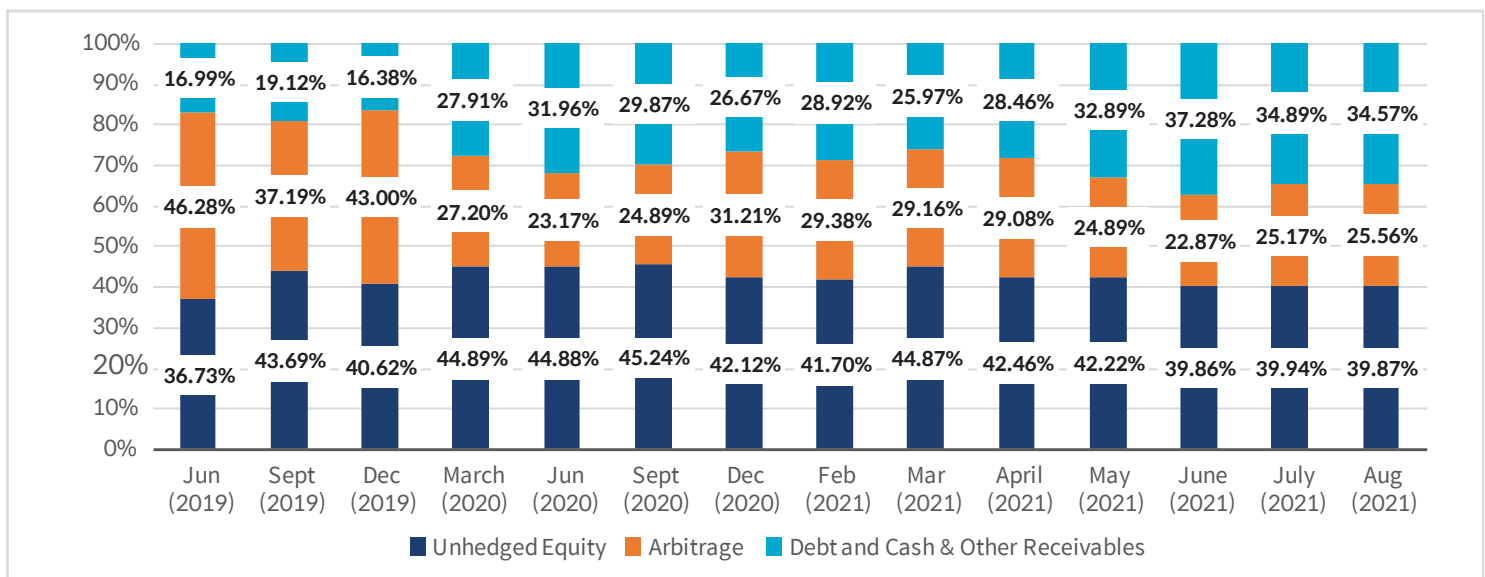
Allocation to
Equity



10-35%

Investment in Debt &
Money Market Instruments

HISTORIC EQUITY AND DEBT ALLOCATION



EQUITY INVESTMENT FRAMEWORK:



The fund follows a strategy with equity within the range of (+/-5%) from 40% aiming to take advantage of market

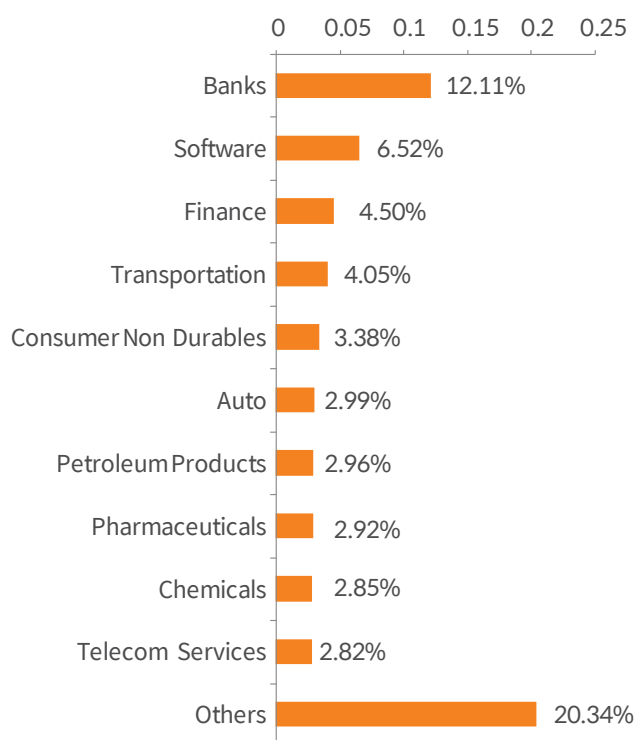


The portfolio aims to generate long term growth increasing the equity exposure based on market cycles and valuations



Portfolio is Largecap bias which helps in performing in all market cycles, more liquidate and are typically first to react to economic revival

EQUITY SECTOR ALLOCATION^{#^}



Source : Internal, data as on 31st August 2021.

[^]Industry wise classification as per AMFI Classification.

PORTFOLIO UPDATE

	Aug' 2021	Jul' 2021
AUM	328.60	296.15
Net Equity %	39.87%	39.94%
No. of Stocks	81	80
Top 10 Stocks	27.26%	26.64%
Top 5 Sectors	30.56%	31.46%

Source: Internal, data as on 31st August 2021.

MARKET CAP ALLOCATION

	Aug' 2021	Jul' 2021
Large Cap	27.42%	27.56%
Mid Cap\$	6.33%	6.65%
Small cap & Other\$	6.12%	5.73%

⁵Market Cap classifications are according to the half yearly data provided by AMFI

Source: Internal, data as on 31st August 2021.

RISK RATIOS

	Aug' 2021	Jul' 2021
Beta	-	-
R-Square	-	-
Sharpe Ratio	-	-
Information Ratio	-	-
Portfolio Turnover Ratio	5.11 times	5.28 times

EQUITY OUTLOOK

- The ongoing 1QFY22 earnings season as expected is disrupted by Covid related lockdowns and commodity inflation. However, most sectors are already seeing a recovery as unlock started from June 2021 and the momentum continues into 2QFY22.
- While the near term challenges will always, persist, we believe that India is at a cusp of multi-year growth revival given multiple drivers which will lead to mean reversion in growth rates. This coupled with earlier reforms like GST, RERA, labour laws and recent focus on manufacturing exports are long term positive factors. Support from improving global economy, lower interest rate and likely normal monsoon, augurs well for the economic recovery and market from the medium term perspective.
- Sans, any disruption by third wave if any, we expect strong growth both in GDP as well as Profit / GDP in FY22 and FY23. Corporate Profit to GDP (%) at a consensus level is estimated to increase from 2.2% of GDP in FY20 to about 4 % of GDP in FY23E.
- The consensus estimates indicate ~22% earnings CAGR in FY20-24 period driven by financials, auto, pharma, metals, energy and IT sectors. Based on Bloomberg consensus estimates, Nifty now trades at 16.3x FY24.
- We would advise investors to not to time the market and invest in a disciplined way in equities for the long-term within their earmarked asset allocation (based on one's risk profile).

DEBT INVESTMENT FRAMEWORK:



Debt portion is managed with high quality debt instrument predominantly in AAA rated and Sovereign Bonds



The Fund broadly follows Buy and Hold Strategy



Debt Allocation seeks to generate regular income and lower portfolio risk

PORTFOLIO TOP HOLDINGS*#

Name of Instrument	Rating	% Allocation
5.63% Government of India (12/04/2026)	SOVEREIGN	9.12%
6.18% Government of India (04/11/2024)	SOVEREIGN	4.74%
364 Days Tbill (MD 19/08/2022)	SOVEREIGN	2.94%

Depening upon the Opportunity the fund has started reduing the cash position and is deploying in Government Securities.This has resulting in significant rise in YTM of debt potfolio compared to last month.

*Portfolio may or may not remain the same.
For complete monthly portfolio, please visit the website:
miraeassetmf.co.in/downloads/portfolio

CREDIT ALLOCATION

	Aug' 2021	Jul' 2021
SOV	16.81%	15.32%
AA+	1.55%	1.72%

Source: Internal, data as on 31st August 2021.

DEBT RATIOS

	Aug' 2021	Jul' 2021
Weighted Average Maturity	2.45 Years	2.72 Years
Modified Duration	2.13 Years	2.36 Years
Macaulay Duration	2.24 Years	2.49 Years
Yield to Maturity	4.64%	4.85%

Source: Internal, data as on 31st August 2021.

MATURITY PROFILE

Particulars	Allocation (%)
Up to 12 Months	11.98%
1-3 Years	4.74%
3-5 Years	9.12%
Above 5 Years	0.00%

Source: Internal, data as on 31st August 2021.

FIXED INCOME OUTLOOK

The inflation trajectory is likely to be shaped by uncertainties impinging on the upside and the downside. The rising trajectory of international commodity prices, especially of crude, together with logistics costs, pose upside risks to the inflation outlook. But with declining infections and easing restriction across states could ease gradually and mitigate disruptions to supply chains, reducing cost pressures inflation might remain in comfort zone of RBI. Strengthen global economy will improve trade and reduced cases and increased vaccination for 18 and above will improve the growth for India. With liquidity remaining easy and uncertain at the longer end and steepen yield curve at 7 years and 5 years, we expect Bond yields likely to remain range bound.

INVESTMENT DETAILS



Allotment Date:
18th December, 2018



Plans and options: Regular Plan and Direct Plan with Growth and Payout of income Distribution cum Capital Withdrawal option/Reinvestment of income Distribution cum Capital Withdrawal option^.



Benchmark: Nifty Equity Savings Index



Fund Managers:

Mr. Harshad Borawake, Mr. Vrijesh Kasera, (since 12th October, 2019),
Ms. Bharti Sawant (Equity portion) (since 28th December, 2020) and
Mr. Mahendra Jajoo (Debt portion) (since 18th December, 2018)



SIP Amount: Minimum of ₹1,000/- (multiples of ₹1/- thereafter), minimum 5 installments



Minimum Investment Amount: ₹5,000/- (multiples of ₹1/- thereafter)

^Pursuant to Notice cum addendum dated March 27, 2021 the nomenclature of dividend option has been changed w.e.f, April 01, 2021.

#The sector (s) / stock (s) / issuer (s) mentioned in this document do not constitute any research report/recommendation of the same.

PRODUCT LABELLING

Mirae Asset Equity Savings Fund is suitable for investors who are seeking*

- Capital appreciation and income distribution
- Investments in equity and equity related instruments, arbitrage opportunities and debt & money market instruments

*Investors should consult their financial advisors if they are not clear about the suitability of the product.



Investors understand that their principal will be at Moderately High Risk

Mutual fund investments are subject to market risks, read all scheme related documents carefully.



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Mon-Sat: 9 a.m. to 6 p.m.



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