

# Mirae Asset Equity Savings Fund


Equity Savings Fund: An open ended scheme investing in equity, arbitrage and debt


Data as on 31<sup>st</sup> December, 2022


## SEEK TO GET THE BALANCE OF EQUITY & OTHER INSTRUMENTS!




### INVESTMENT DETAILS


 **Allotment Date:** 18<sup>th</sup> December, 2018


 **Benchmark:** Nifty Equity Savings Index

 **Net Aum** (₹Cr.) 589.03


### INVESTMENT PHILOSOPHY


 **20-45%** Equity


 **20-70%** Arbitrage

 **10-35%** Debt & money market instruments


### EQUITY INVESTMENT FRAMEWORK<sup>\$</sup>


 The fund follows a strategy with equity within the range of (+/-5%) 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 large cap bias which helps in performing in all market cycles, more liquid and are typically first to react to economic revival

### DEBT INVESTMENT FRAMEWORK

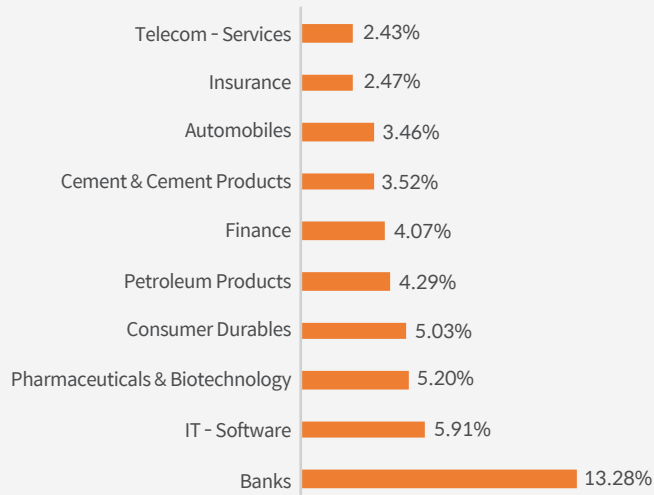
 Seeks to Invest in high quality debt and money market instruments

 The Fund broadly follows buy and hold strategy

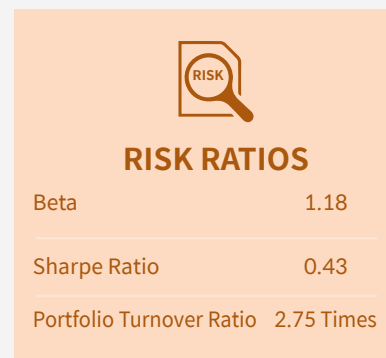
 Debt allocation seeks to generate regular income and lower portfolio risk

### EQUITY UPDATE

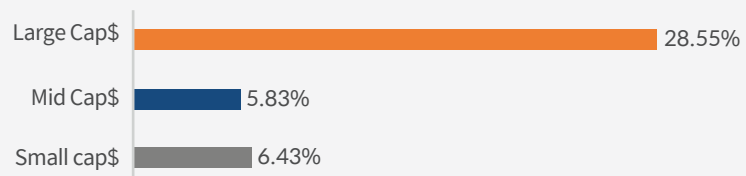
#### TOP SECTOR ALLOCATION<sup>#</sup>



Source: Industry wise classification as per AMFI Classification



### MARKET CAP ALLOCATION



## DEBT UPDATE\*

Debt Instrument	Rating	% Allocation
5.63% Government of India (12/04/2026)	SOVEREIGN	4.06%
7.38% Government of India (20/06/2027)	SOVEREIGN	3.41%
5.74% Government of India (15/11/2026)	SOVEREIGN	3.23%
6.54% Government of India (17/01/2032)	SOVEREIGN	3.21%
6.18% Government of India (04/11/2024)	SOVEREIGN	2.51%
8.25% IIFL Finance Limited (14/10/2023) **	CRISIL AA	0.85%
364 Days Tbill (MD 03/08/2023)	SOVEREIGN	0.82%
364 Days Tbill (MD 17/08/2023)	SOVEREIGN	0.81%
364 Days Tbill (MD 24/08/2023)	SOVEREIGN	0.81%
364 Days Tbill (MD 12/10/2023)	SOVEREIGN	0.81%

## DEBT RATIOS

YTM	7.29%
Average Maturity	3.79 Years
Modified Duration	3.08 years
Macaulay Duration	3.30 years

## CREDIT PROFILE

SOV	19.68%
AA	0.85%

## MATURITY PROFILE

Upto 12 months	4.10%
1-3 Years	2.51%
3-5 years	10.70%
Above 5 years	3.21%

Source: Internal

## HISTORIC ASSET ALLOCATION

MONTH	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
UNHEGEDGED EQUITY	43.16%	40.79%	40.22%	41.64%	41.83%	40.81%
ARBITRAGE	31.09%	30.96%	31.09%	32.12%	33.65%	32.20%
DEBT, CASH & OTHER RECEIVABLES	25.75%	28.25%	28.69%	26.24%	24.52%	26.99%

## MARKET OUTLOOK

As we move into 2023, the narrative for markets are likely to shift towards peak inflation and plateauing/reducing interest rates. This along with opening up of China would have a bearing on global supply chain as well as flow of money. Coming to India, focus will be on the pace of rural recovery, corporate earnings momentum and government spending focus (in the run-up to 2024 general elections). -Equity markets have faced 4 consecutive shocks in the last 2 years in the form of 1) COVID, 2) High inflation (disruption in global supply chains), 3) Geopolitics (Russia-Ukraine war) and 4) Sharp rise in interest rates. Indian economy has been able to withstand these shocks relatively better vs. other economies. This is led by a) Cyclical upturn in many sectors (Real estate, Auto, Banking, Telecom etc), b) Manufacturing tailwinds led by China+1 & PLI, c) Capex recovery (India Inc. Balance Sheets have strengthened) and d) Consolidation (formalization). Discretionary demand in urban slowed materially post festive owing to several reasons like abating of pent up demand, high base, inflation and shift in wallet share towards travel (pent up demand in domestic & international travel). "K-shaped" demand trends continued and there are green shoots visible on rural demand improving during 2023 (particularly during 2HCY23) on a low base.

There seems to be an optimistic outlook for 2023. The year is starting at a point where markets are factoring in an impending recession (indicated by an inverted yield curve) and inflation having peaked but central banks are guiding for continued hawkish stance with "higher for longer" rates outlook. Long term rates may have already peaked in current cycle. While presently there is no visibility of any trigger for any meaningful easing in these rates, later in year, environment may turn more favorable if inflation indeed eases or economic slowdown deepens further. While central banks may seek more evidence, markets are likely to move much in advance. Yield curves may get flatter in emerging markets and remain inverted in developed markets. The environment being volatile and uncertain, one should be ready to reassess outlook if incoming data indicates otherwise.

## IDEAL INVESTMENT PROFILE



Balanced Investing between equity, debt and arbitrage



Tax Efficiency



May consider alternative of traditional investments



**Fund Managers:** Mr. Harshad Borawake, Mr. Vrijesh Kasera, (since 12<sup>th</sup> October, 2019), Ms. Bharti Sawant (Equity portion) (since 28<sup>th</sup> December, 2020) and Mr. Mahendra Jajoo (Debt portion)(since 18<sup>th</sup> December, 2018)



**SIP Amount:** Minimum of ₹1,000/- (multiples of ₹1/-thereafter), minimum 5 installments for monthly and 3 for quarterly frequency



**Minimum Investment Amount:** ₹5,000/- (multiples of ₹1/-thereafter). Minimum Additional Application Amount: ₹1,000/- per application and in multiples of ₹1/-thereafter



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

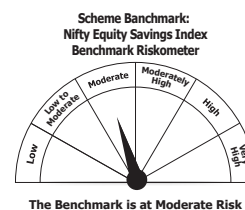
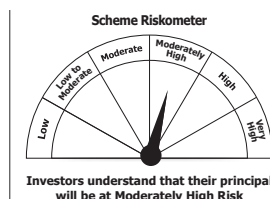
## FUND DETAILS

## PRODUCT LABELLING

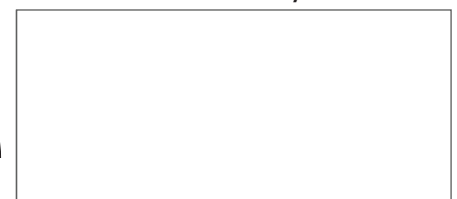
Mirae Asset Equity Savings Fund is suitable for investors who are seeking\*

- Capital appreciation and income distribution
- Investment 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.



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^The investment strategy stated above may change from time to time without any notice and shall be in accordance with the strategy as mentioned in the Scheme Information Document of the scheme.

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

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

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

\*\*Thinly traded/Non traded security

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Please consult your financial advisor or Mutual Fund Distributor for more details

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