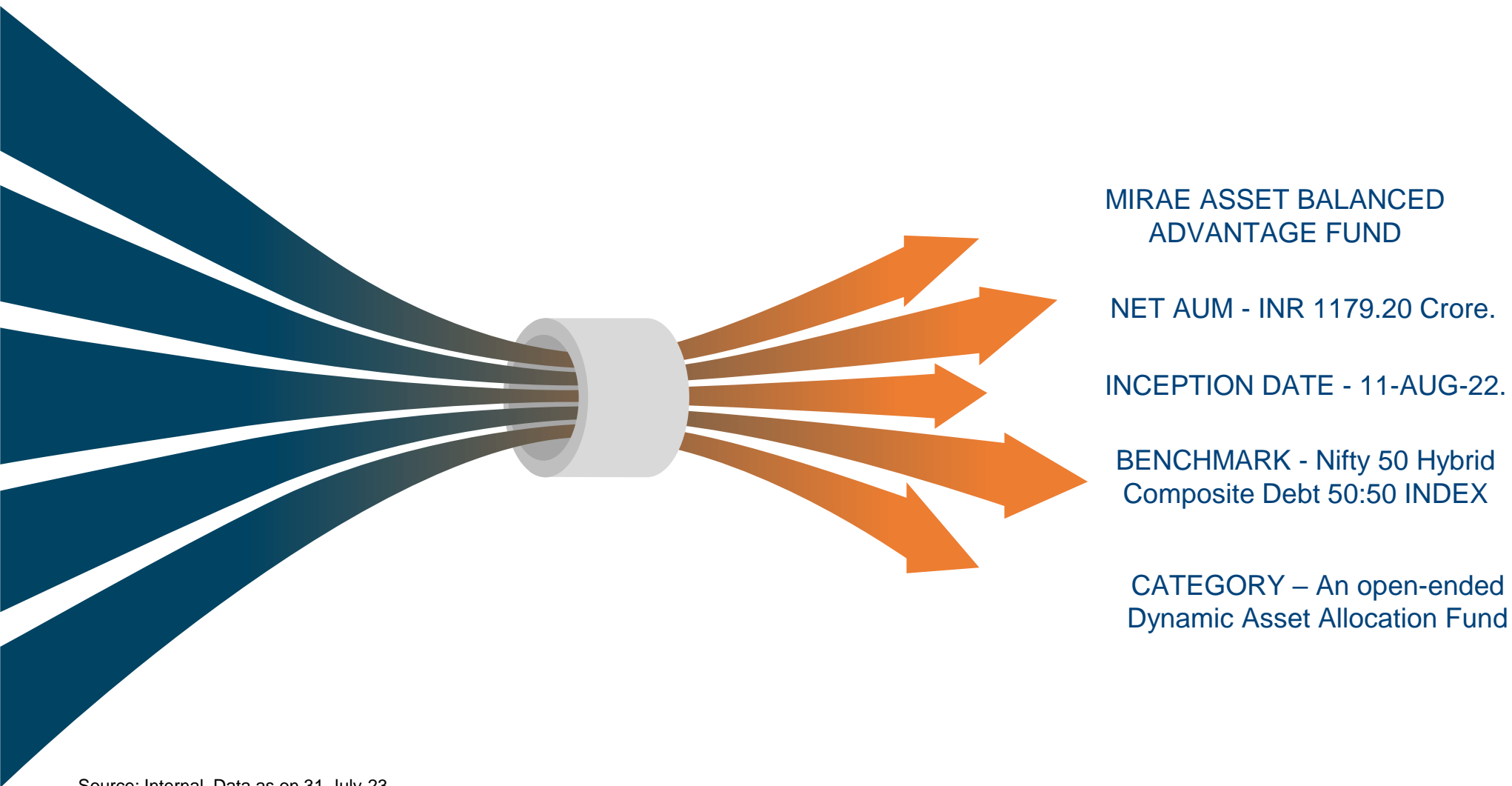


MIRAE ASSET BALANCED ADVANTAGE FUND

An open-ended Dynamic Asset Allocation Fund

As on 31st July 2023

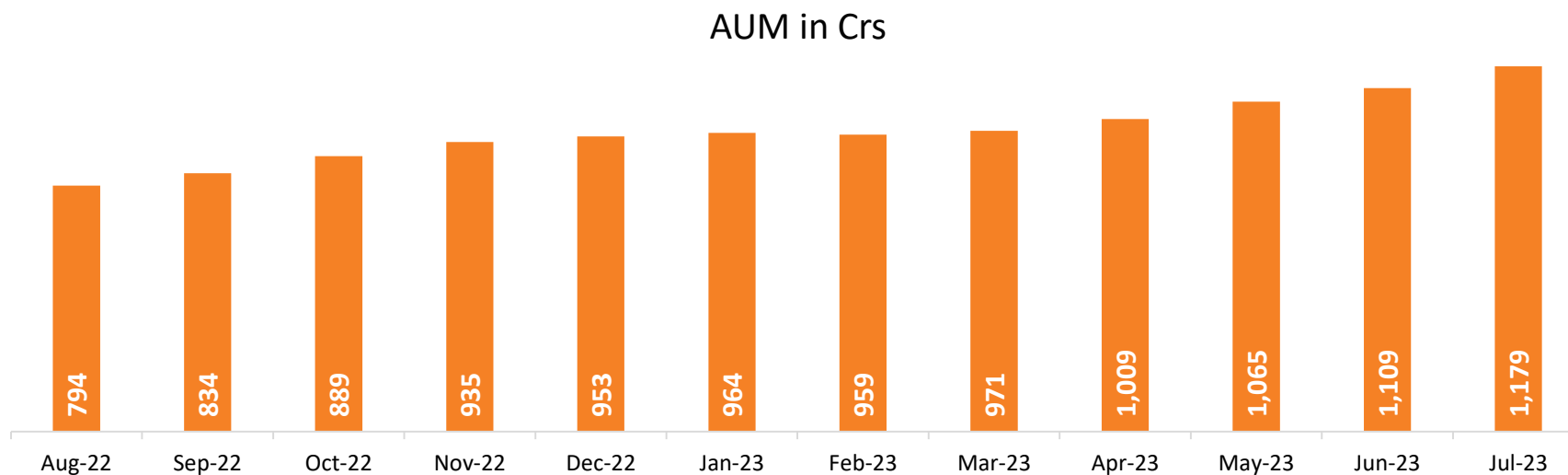
Fund Details



Source: Internal. Data as on 31-July-23

About the fund

- Mirae Asset Balanced Advantage fund (MABAF) is an open ended dynamic asset allocation fund.
- The fund framework allows it to invest in three asset classes – Equity, Debt and Arbitrage.
- Given the equity taxation, fund needs to keep equity investment (Equity + Arbitrage) at 65%. The net equity range as per our model can be between 30% to 80%, arbitrage between 0% to 35% and debt can be between 20% to 35%.
- The Mirae Asset Balanced Advantage fund model is guided by combination of P/E and P/B valuations of Nifty 50 TRI Index to decide the net equity allocation.
- The fund uses the arbitrage position to reach its total equity position to achieve equity taxation status for the investors.
- The debt position is achieved by taking a duration call and then buy & hold strategy.



Source: Internal holdings as on 31- Jul 23 The holdings will change as per the discretion of the Fund Managers & as per provisions provided in SID. For further details, please refer to our website: <https://www.miraeassetmf.co.in/downloads/portfolio>

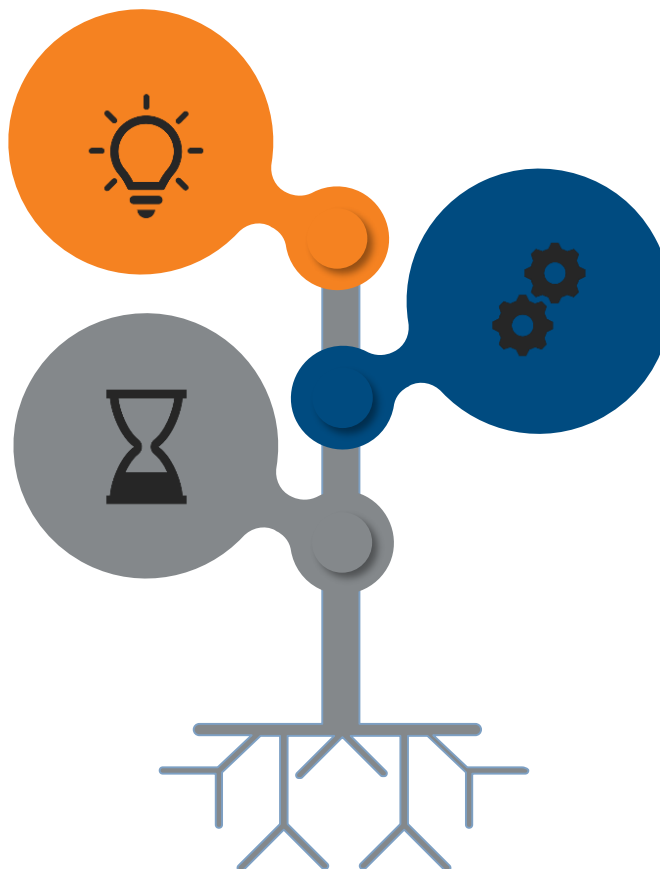
Summary About the Internal Model

Qualitative Flexibility

- Regular monitoring of the model with holistic view of the markets & economy
- Driven by Fundamental research to ensure allocation comfort

Balance-sheet Based Valuation

- Based on P/B (relatively higher weightage in model)
- Allows for growth cycles in asset heavy businesses and financials to be better captured in the model
- Anchors the model and prevents it from swinging to extreme in times of euphoria/distress



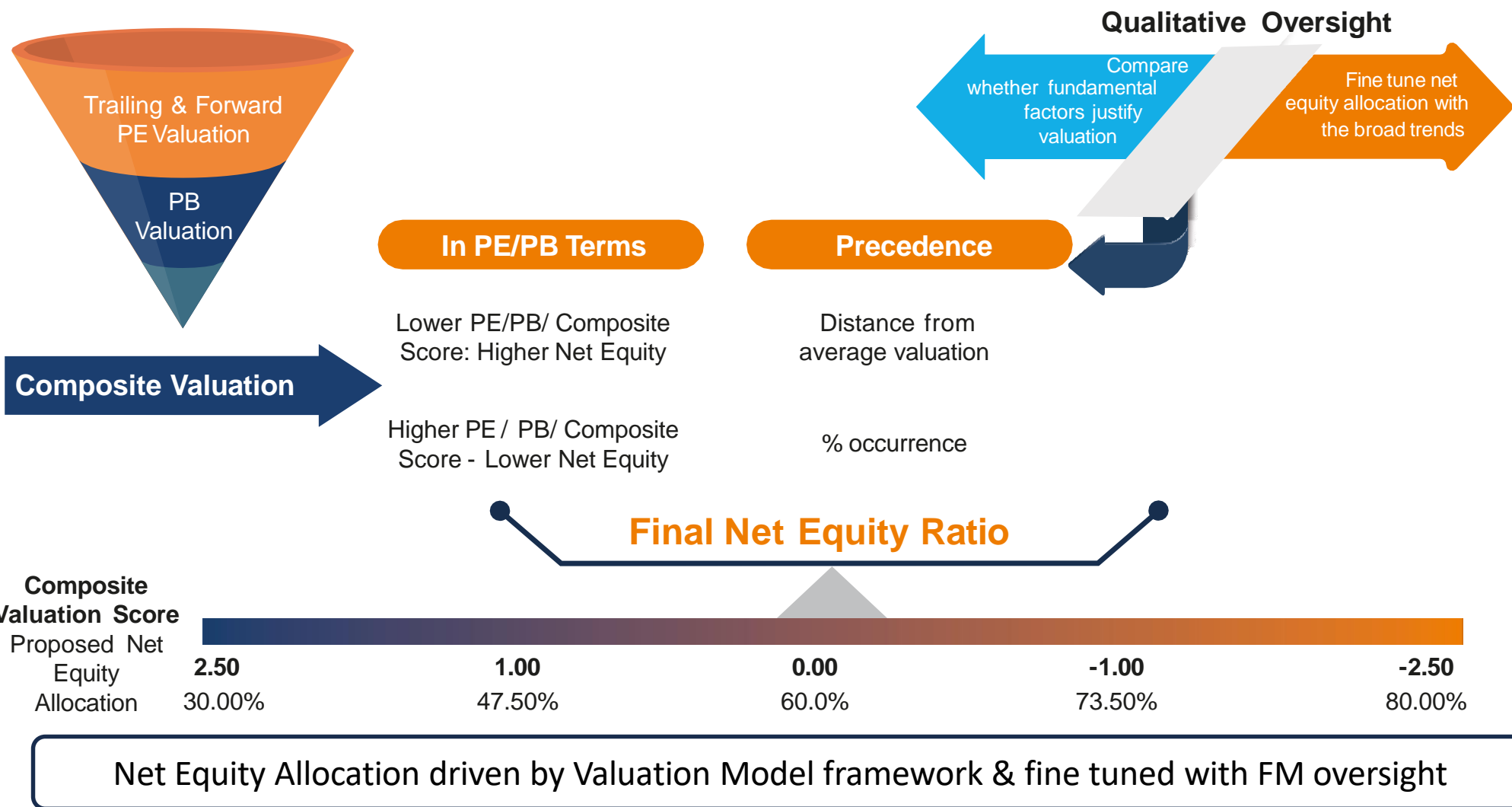
Income Based Valuation

- Measure Based on adjusted P/E (relatively lower weightage in model)
- Keeps the model anchored to business performance and helps normalize extremes and seasonality
- Vital in helping understand income sustainability at given valuation

**Optimal Participation Level
Across Market Cycles**

The above is the framework currently adopted by the Scheme and is subject to change in accordance with the provisions of the SID & depending on the market conditions.

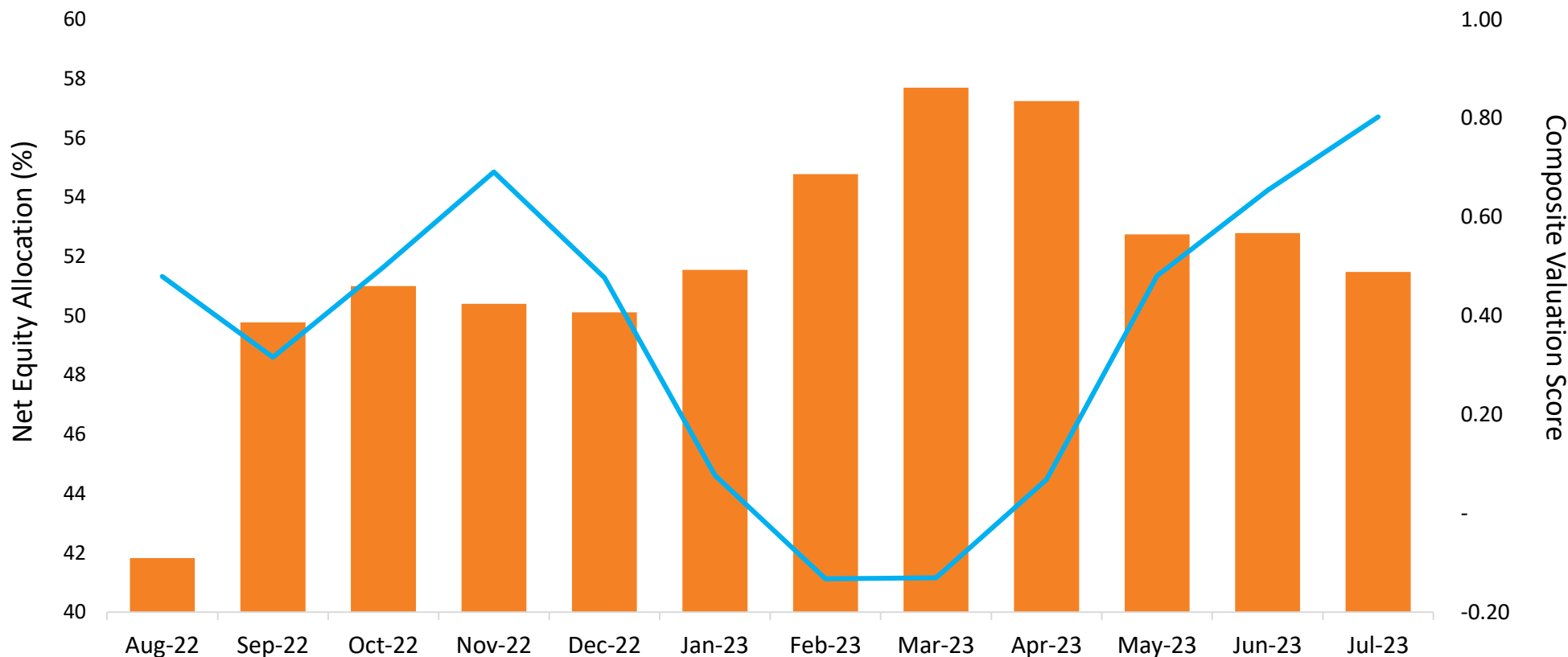
Model Framework



The above is the framework currently adopted by the Scheme and is subject to change in accordance with the provisions of the SID & depending on the market conditions.

Fund Net Equity Allocation – Model Driven

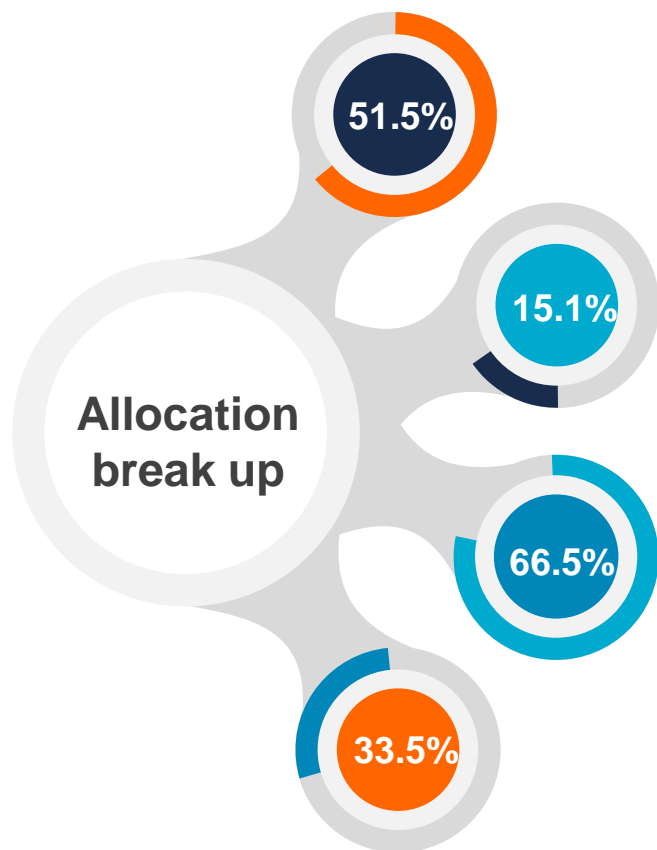
Composite Score & Net Equity Allocation Trend



Net Equity Allocation has been fairly dynamic & largely Model driven

Portfolios may or may not change. Source: Above data as on, 31st July 2023. *Portfolios may or may not change. For complete portfolio of the scheme please visit <https://www.miraeassetmf.co.in/>

Fund – Allocation (July 2023)



Unhedged Equity

Net equity position – 51.5%

Hedged Equity - Arbitrage

Hedged Equity position – 15.1%

Total Equity position

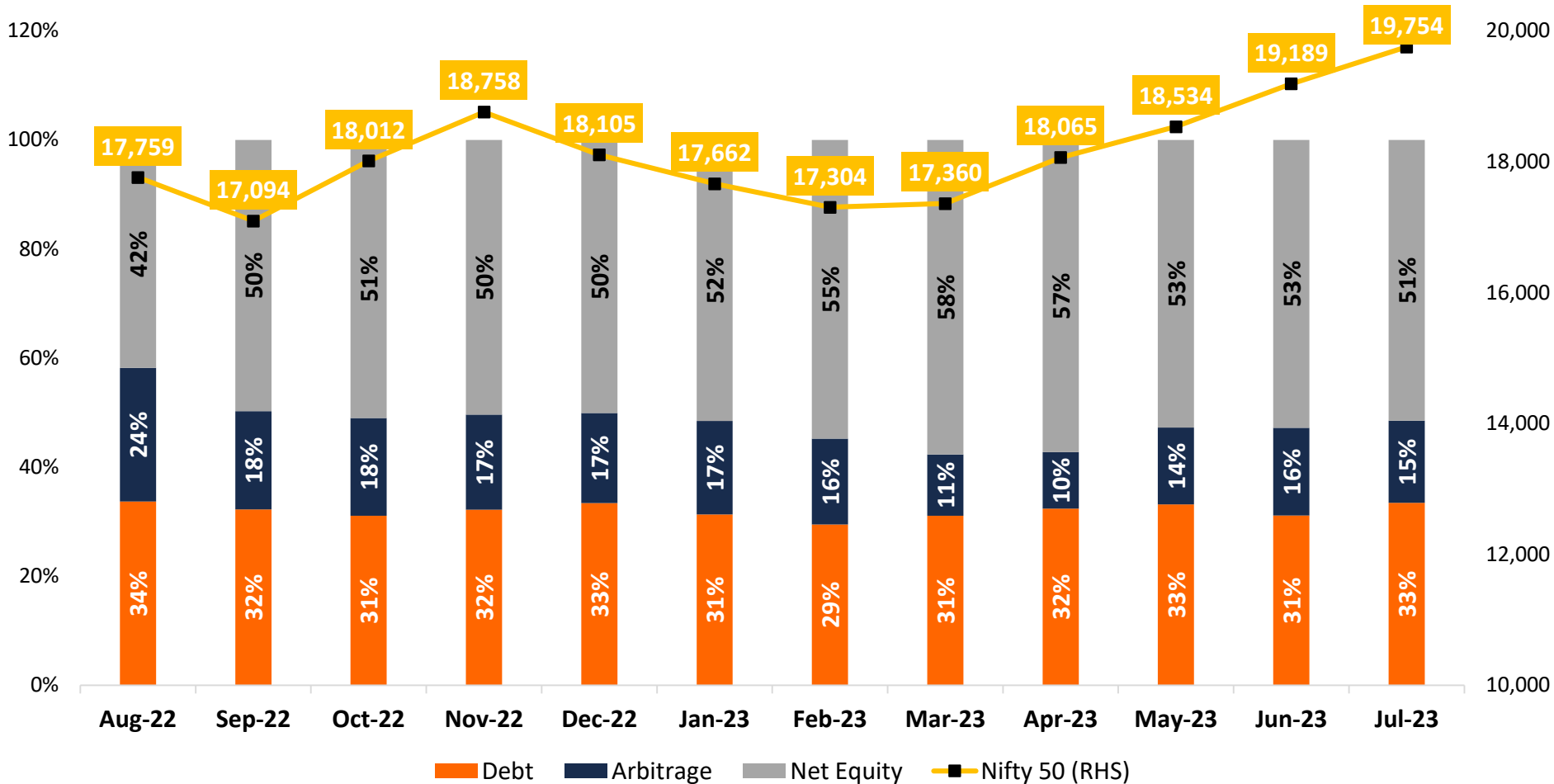
Total Equity (Hedged & Unhedged position) – 66.5%

Debt & other holdings

Debt, Cash & other receivables – 33.5%

Source: Internal holdings as on 31- July 23. The holdings will change as per the discretion of the Fund Managers & as per provisions provided in SID. For further details, please refer to our website: <https://www.miraeassetmf.co.in/downloads/portfolio>

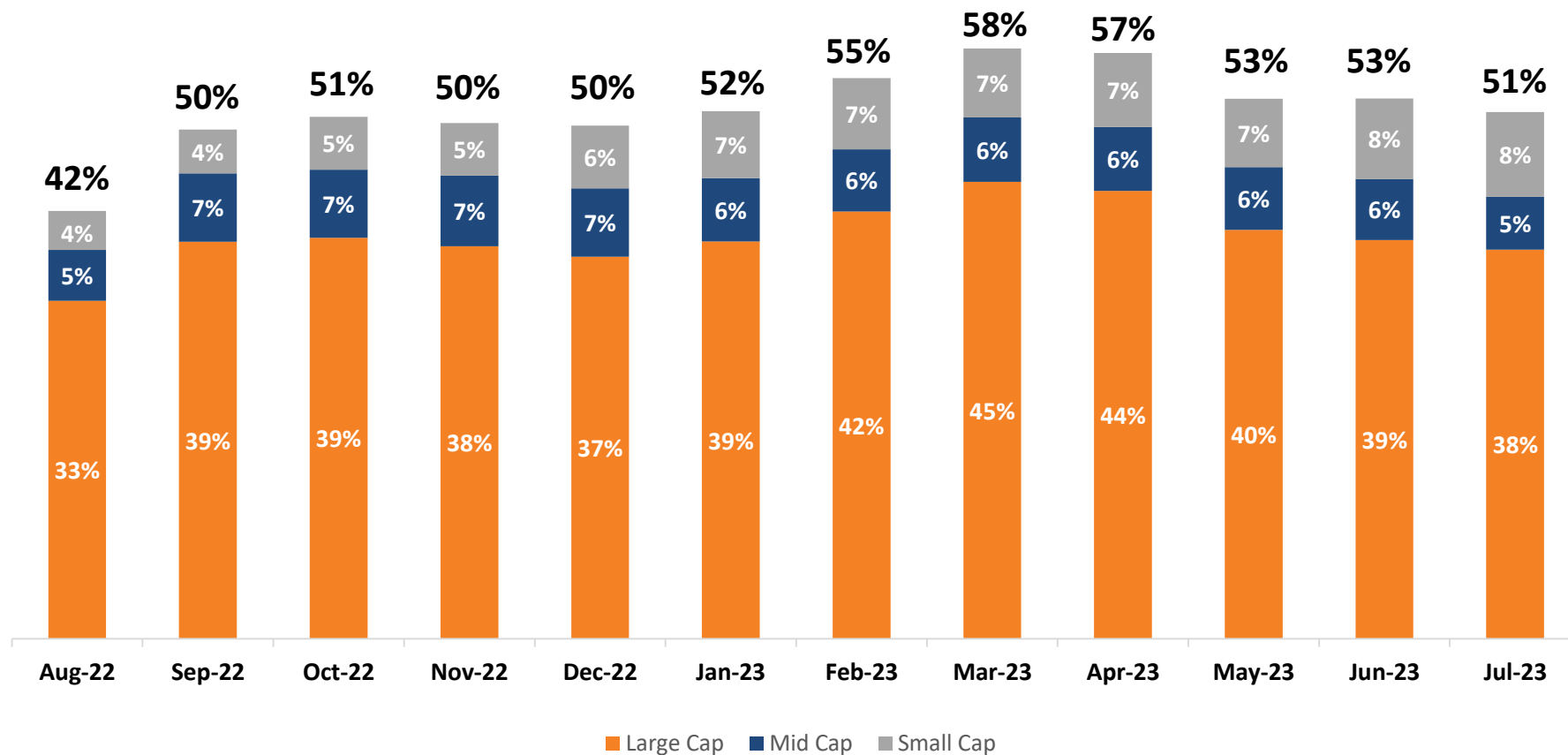
Asset Allocation Trend



Dynamic Net equity allocation in line with varying market conditions

Source: Ace MF. Data from Aug-22 to 31 Jul-23. Nifty 50 closing as on month end of each month

Market cap Allocation Trend

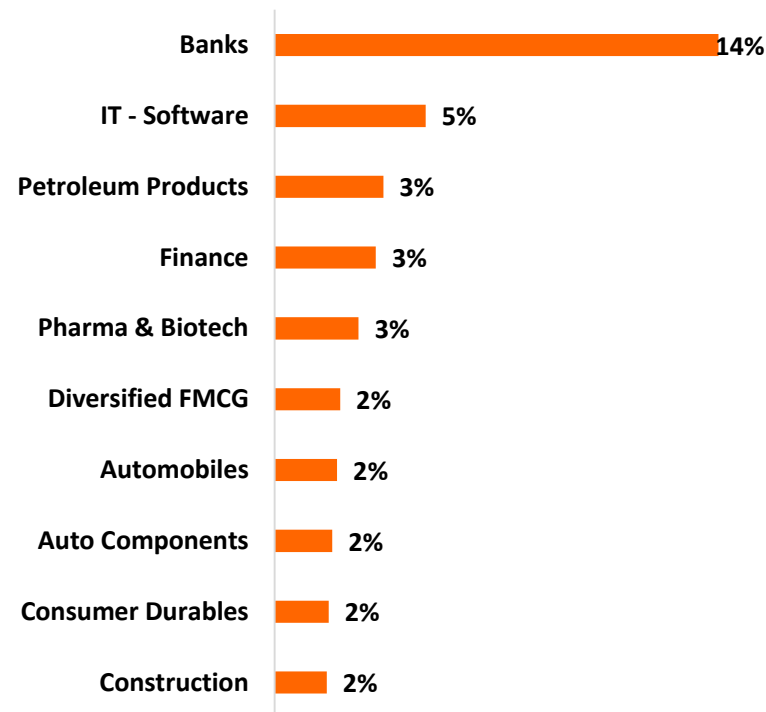


Source: Ace MF. Data from Aug-22 to 31-July-23 . Numbers represented in **bold** indicates net equity portion of the fund as on end of the month.

Outlook on the equity levels of the fund

- The fund was launched on 11th Aug 2022. The portfolio has been constructed in this period in lines of our proposed fund positioning.
- The Net equity position as on July 31, 2023, was 51% equity and arbitrage at 15%.
- Equity markets ended positive in July 2023 with Nifty gaining 2.9% during the month.
- The net equity allocation for the fund is model driven. Given the market gained ~3%, we reduced our net equity position from 53% in June to 51% in July. In contrast, in March 2023, when markets corrected, it led to a fall in valuations and hence, we increased our equity weights.
- The Indian equity markets have faced four shocks in the past 2 years which has led to cyclical upturn in many sectors and the private capex cycle is on a recovery mode making, India's macro setup better placed than other emerging markets. While we have flexibility in terms of market cap allocation, given the fund profile; we have kept the portfolio large cap biased with a mix of growth and value opportunities.
- Our key sectors as on 31st July 2023 continue to be Banks, Healthcare and Auto.

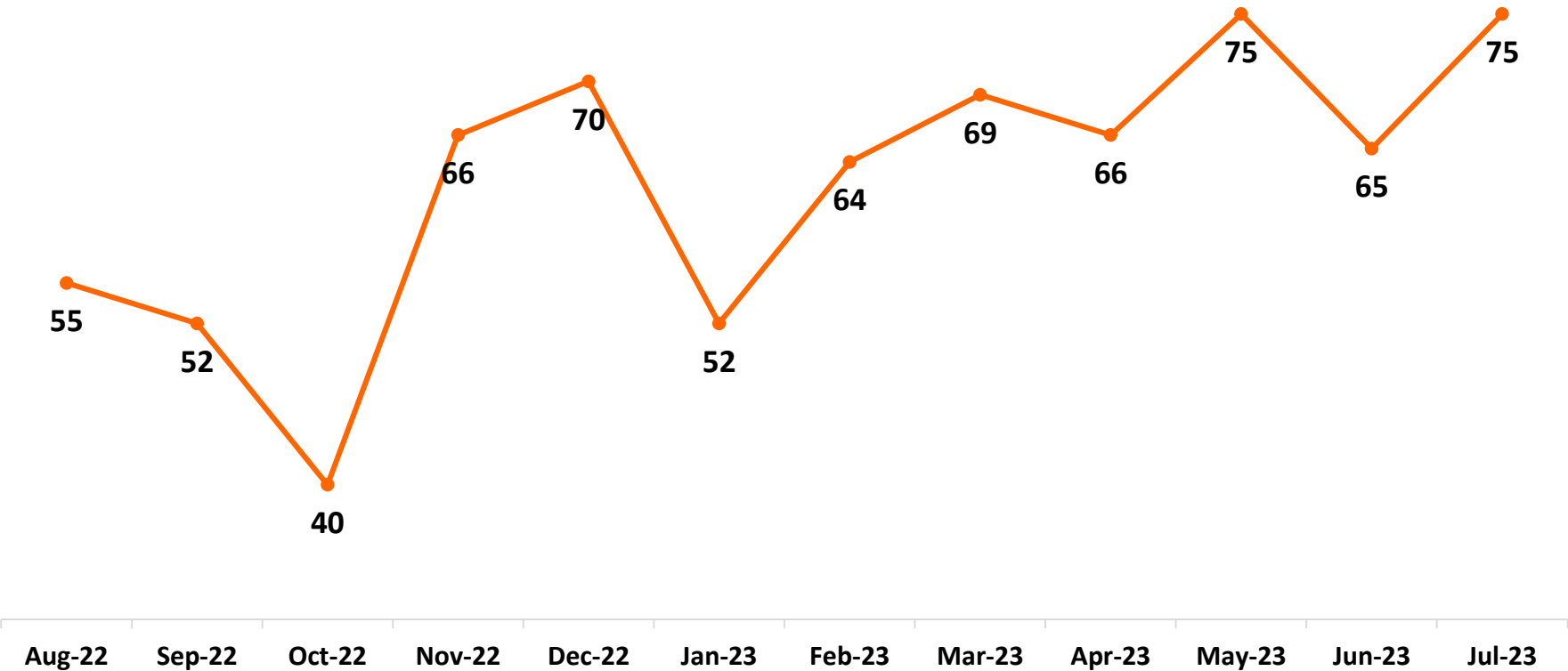
Net Equity Allocation (%) to Top 10 Sectors



Derivatives positions are excluded in computation of the net equity position as on 31-July-23

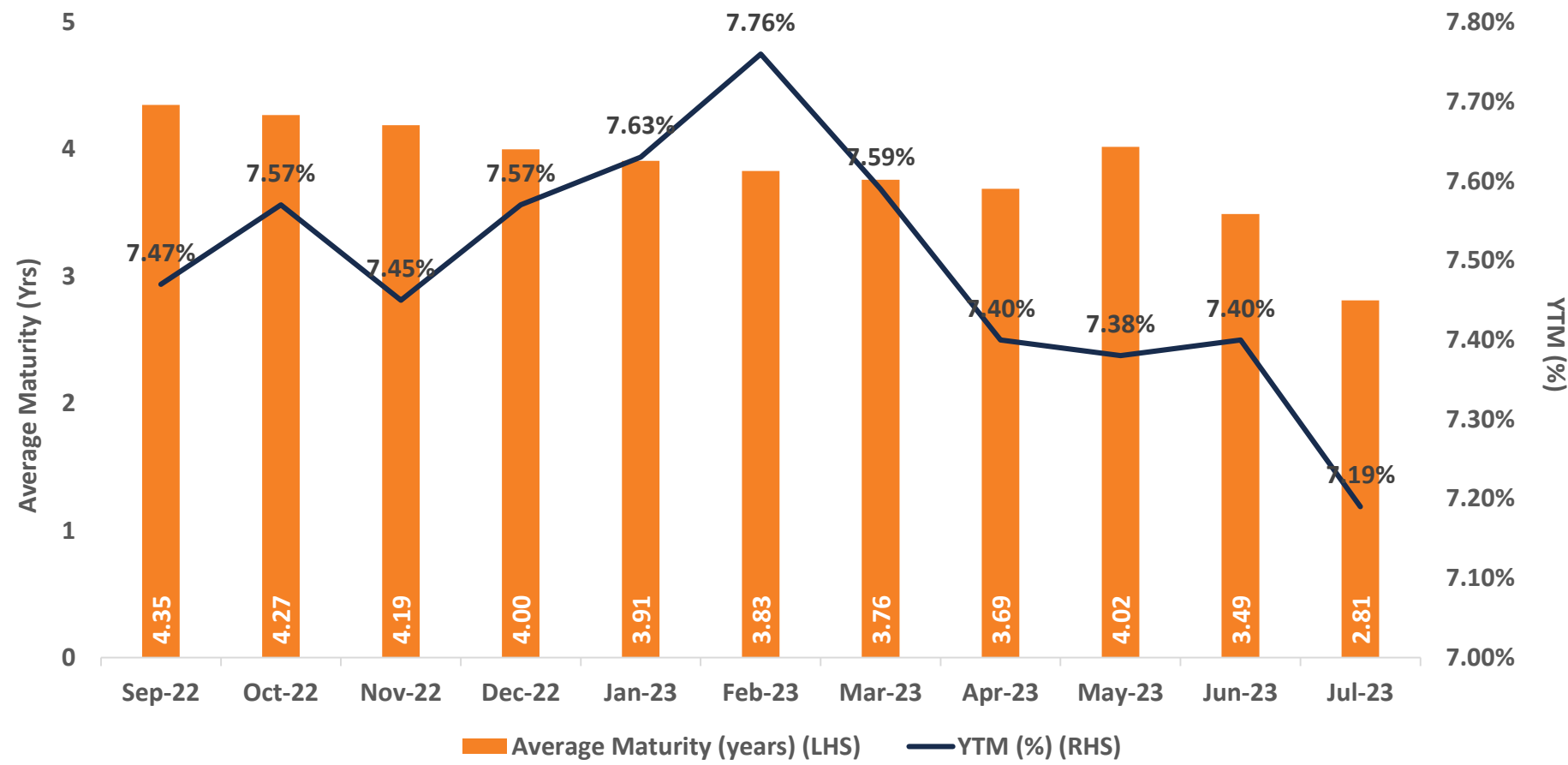
Source: Internal holdings as on 31-July-23. The holdings will change as per the discretion of the Fund Managers & as per provisions provided in SID. For further details, please refer to our website: <https://www.miraeassetmf.co.in/downloads/portfolio>

Average Arbitrage Rollover Spread Since Inception (In Bps)



Source: Bloomberg. Data from Aug-22 to 31-Jul-23.

Debt Quants



Source: Ace MF. Data from Aug-22 to 31-Jul-23.

Outlook on the debt levels of the fund

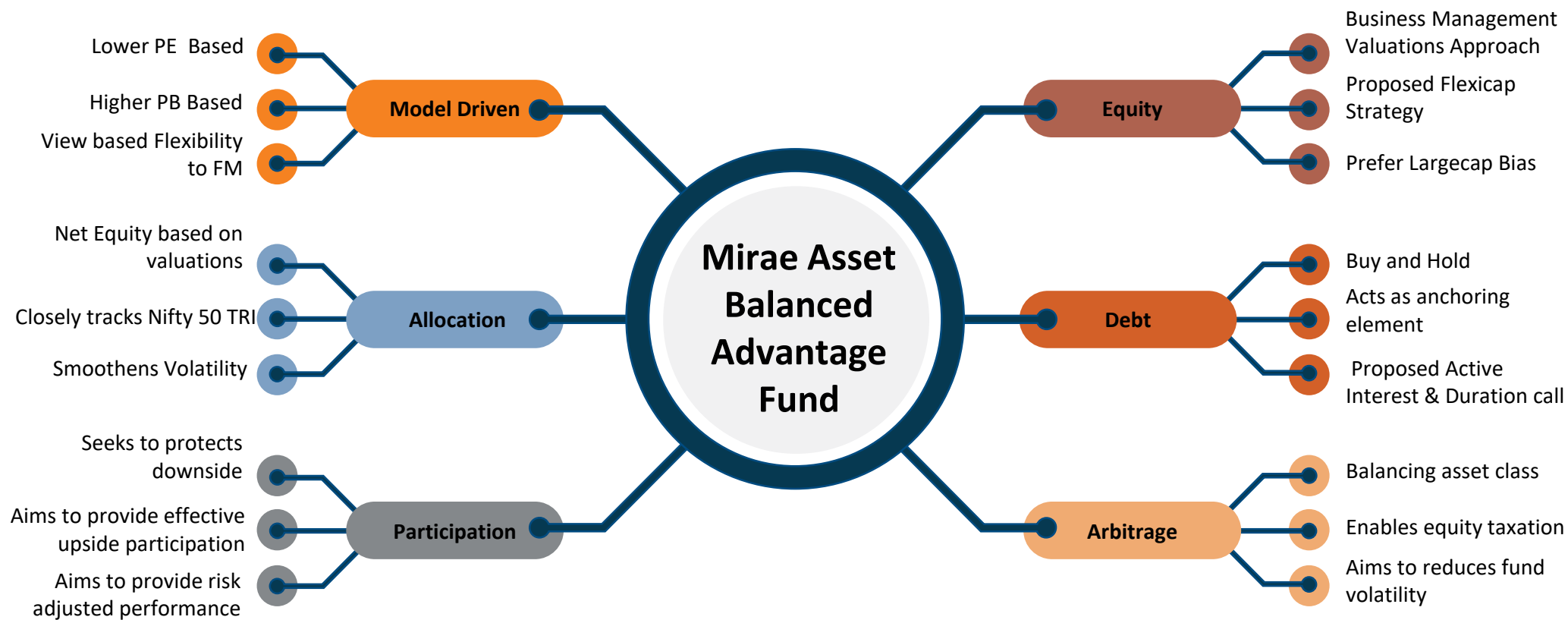
- The current debt holdings are a mix of government securities, high quality corporate bonds & certificate of deposits.
- While inflation has come down for most economies, it is still well above target level of 2% for most developed economies and this has led to a hawkish stance by global policy makers. While US Fed increased it's policy rate by 25 basis points (bps) to 5.50%, European Central Bank (ECB) hiked its policy rate by 25 bps to 4.25%. Future policy actions will remain largely data dependent.
- The domestic yields witnessed hardening due to rise in US treasury yields and increasing interest rates in major advanced economies amidst a halt in policy rate hike in India. For now, the yields look range bound.
- The debt component would mostly be a buy and hold strategy, but for periodic adjustment for any significant change in interest rate expectations there could be a change.
- Accordingly, after providing for contingent liquidity requirements, the debt component duration is currently around 2.81 years.
- As the outlook on interest rates improves further and clear signs of rates easing emerges, duration may be increased or vice versa as the data & situation pan out.

Source: Internal holdings as 31-July-23. The holdings will change as per the discretion of the Fund Managers & as per provisions provided in SID. For further details, please refer to our website: <https://www.miraeassetmf.co.in/downloads/portfolio>

Quantitative: Debt (As on 31-July-23)	
Weighted Average Maturity	2.81 years
Modified Duration	2.22 years
Macaulay Duration	2.33 years
Yield To Maturity	7.19%

Debt Instruments	% of Fund (as on 31-July-23)
G-Secs/ Sovereign	10.90%
Public Sector Undertakings/ Corporate Bonds	10.18%
Certificate of Deposits	1.69%
TREPS & Net Receivables	25.75%

Fund Snapshot



Source: Internal holdings as on 30-June-23. The holdings will change as per the discretion of the Fund Managers & as per provisions provided in SID. For further details, please refer to our website: <https://www.miraeassetmf.co.in/downloads/portfolio>

Disclaimers

Statutory Details: Trustee: Mirae Asset Trustee Company Private Limited; Investment Manager: Mirae Asset Investment Managers (India) Private Limited (AMC); Sponsor: Mirae Asset Global Investments Company Limited.

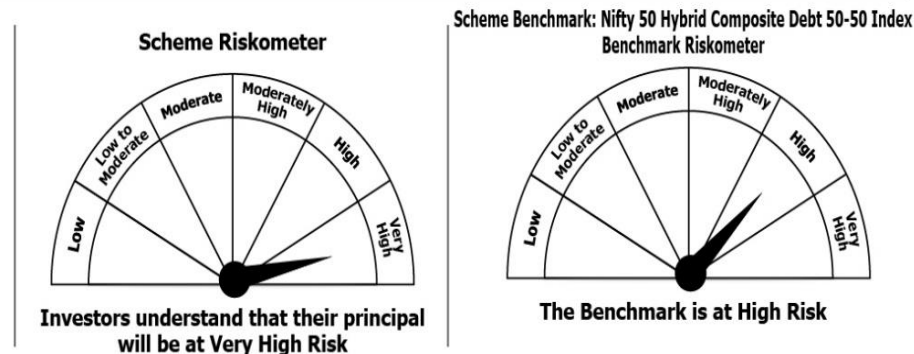
The information contained in this document is compiled from third party and publicly available sources and is included for general information purposes only. There can be no assurance and guarantee on the yields. Views expressed by the Fund Manager cannot be construed to be a decision to invest. The holdings as given in this document will change as per the portfolio holdings as per the discretion of the Fund Manager. The statements contained herein are based on current views and involve known and unknown risks and uncertainties. Whilst Mirae Asset Investment Managers (India) Private Limited (the AMC) shall have no responsibility/liability whatsoever for the accuracy or any use or reliance thereof of such information. The AMC, its associate or sponsors or group companies, its Directors or employees accepts no liability for any loss or damage of any kind resulting out of the use of this document. The recipient(s) before acting on any information herein should make his/her/their own investigation and seek appropriate professional advice and shall alone be fully responsible / liable for any decision taken on the basis of information contained herein. Any reliance on the accuracy or use of such information shall be done only after consultation to the financial consultant to understand the specific legal, tax or financial implications.

PRODUCT LABELLING

Mirae Asset Balanced Advantage Fund is suitable for investors who are seeking*

- To generate long-term capital appreciation/income
- Investment in equity, equity related securities & debt, money market instruments while managing risk through active allocation

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



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

For further information about other schemes (product labelling and performance of the fund) please visit the website of the AMC: www.miraeassetmf.co.in

Please consult your financial advisor or Mutual Fund distributor before investing

Thank you

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