

Mirae Asset Great Consumer Fund (MAGCF)

(Sectoral/Thematic Fund - An open ended equity scheme following consumption theme)

July 2022

- Consumption Sector In India
- Growth Drivers
- Consumption Index
- Understanding Mirae Asset Great Consumer Fund
- Our Journey



Consumption Sector In India

Constituents of Consumption Sector

Consumer markets are changing dynamically in the face of continuous disruption.

India's consumer market can be categorized into :



Consumer Durables

- White goods
- Computers
- Mobile Phones
- Entertainment Consumables



FMCG & Services

- Packaged Foods
- Beauty and Fragrances
- Health and Personal care
- hospitals



Retail

- Fashion
- Eyewear
- Jewelry
- Accessories



E-Commerce

- Food tech
- E-tail
- Social media
- Learning



Agri Business

- Agro Chemicals & Fertilizers
- Dairy
- Fresh Produce & grains



Home Improvements

- Home Furnishing
- Furniture
- Sanitary Ware



Services

- Banking
- Healthcare
- Leisure

Supportive Pillars in Consumption



- Consumer electronic brands are focusing on expansion in the Indian smart wearables market.
- Tech players are focusing on tapping the Indian consumer electronics market by developing electronic components manufacturing base in India and encouraging exports

- 100% FDI allowed in the electronics hardware-manufacturing
- The government approved 14 companies under the Production Linked Incentive (PLI) scheme for IT hardware. Over the next 4 years, these companies are expected to fuel total production of US\$ 21.64 billion

- Indian appliance and consumer electronics (ACE) market is expected to increase at 9% CAGR to reach Rs. 3.15 trillion (US\$ 48.37 billion) in 2022.

- India gets the highest annual FDI inflow of USD 83.57 billion in FY21-22
- FDI equity inflows in Manufacturing rise by 76% in FY 2021-22

Source: pib.gov.in



Growth Drivers

Boosters for Consumption Sector



Fastest Growing Economy



5 USD
Trillion

Gov't plan of USD 5Tn
economy by 2028

Urbanization



40 Percent
Of Indians

Will live in urban areas by
2030 and drive economic
growth

Nation of The Young



29 Median
Age

Generation Z and
Millennials will change
the trend

Growing Connectivity



1+ Billion
Of Indians

Will have internet access
by 2030

Long Term Drivers Of Growth



FMCG

(Fast-Moving Consumer Goods)

- Low per capita consumption
- Premiumization
- 'Naturals' fad
- Unorganized to organized (packaged foods)
- innovations



FMEG/ White Goods

(Fast-Moving Electric Goods)

- Comparative Low penetration rates
- Electrification drive
- Consumer finance
- Change in lifestyle



Retail

- India's retail story has just begun
- >\$2000 per capita income may drive discretionary spends
- Frequency of consumption is expected to rise (QSR, apparels, footwear etc)
- Emergence of Modern Trade



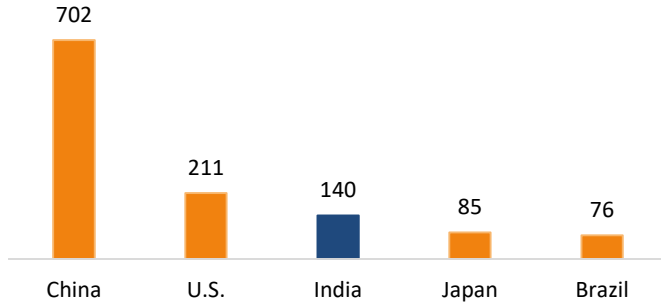
Auto

- Low per capita consumption
- Low interest rates
- Auto cycle bottoming out
- Renewed need for personal mobility (post-covid)

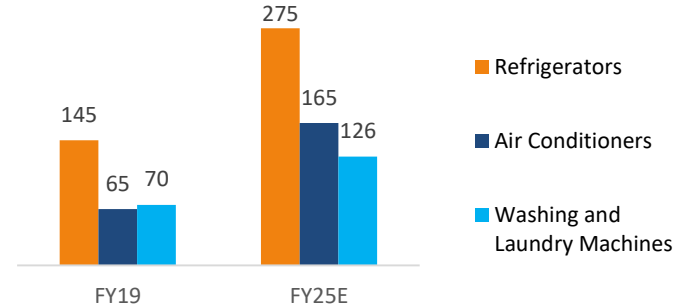
Estimated Sectorial Growth



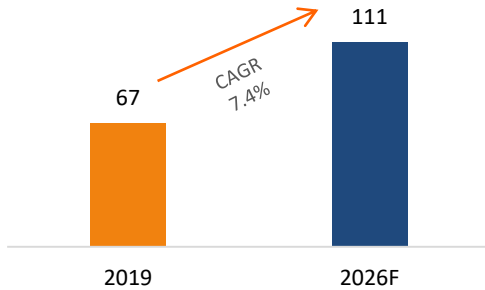
E-Retail Shoppers (Millions) – 2020



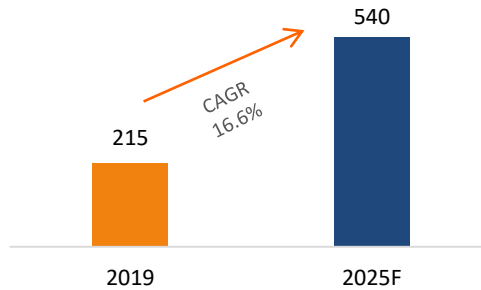
Production of Major White Goods (Lakh Units)



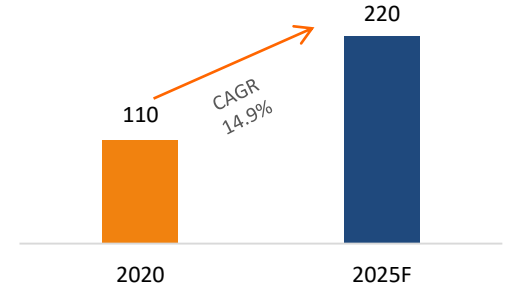
Auto Services Market in India (US\$ billion)



Electronic Industry in India (US\$ billion)



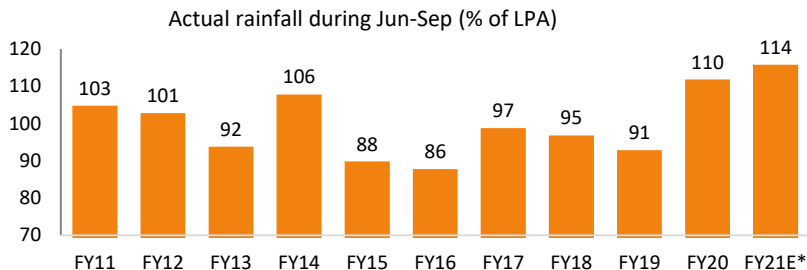
Indian FMCG Market (US\$ billion)



Retail, Media, FMCG, and FMEG sectors are showing growth prospect as per reports

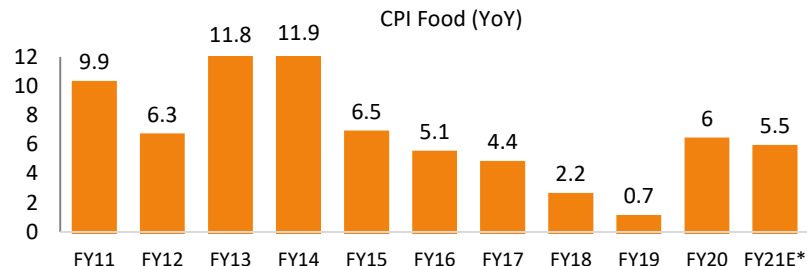
Rural Recovery Underway

Two consecutive good monsoons



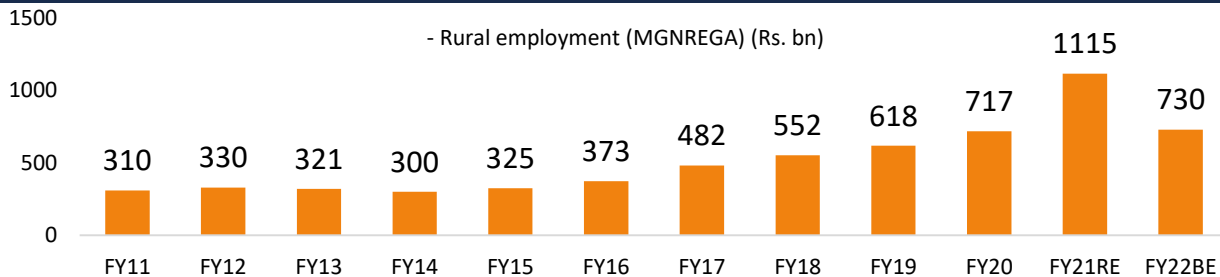
Source: IMD, 31st October 2020

Food inflation expected to be 5.5% in FY22E



Source: CEIC, *April-Nov 20 Vs April- Nov 19, Note: CPI: Consumer Price Index,

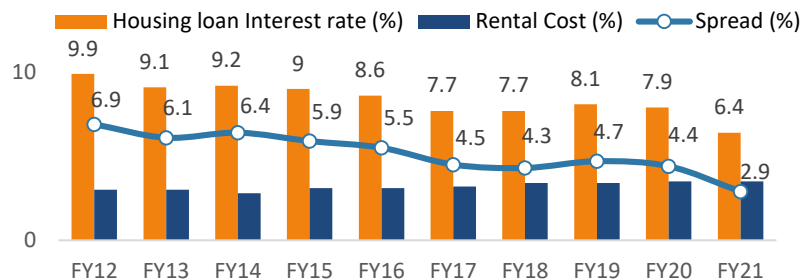
MGNREGA allocation budgeted at Rs. 730bn



Source: RBI, MGNREGA: Mahatma Gandhi National Rural Employment Guarantee Act, 2020-21

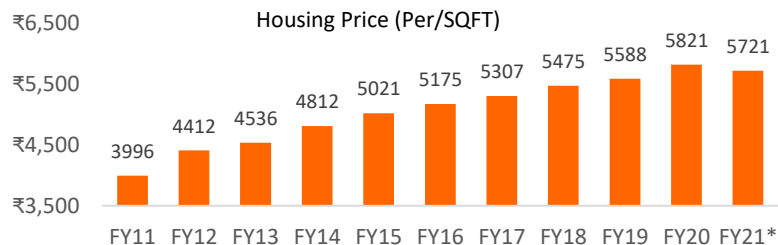
Lowering of interest rates – drives demand & also drives capex

Interest rate & rental yield spread at attractive levels



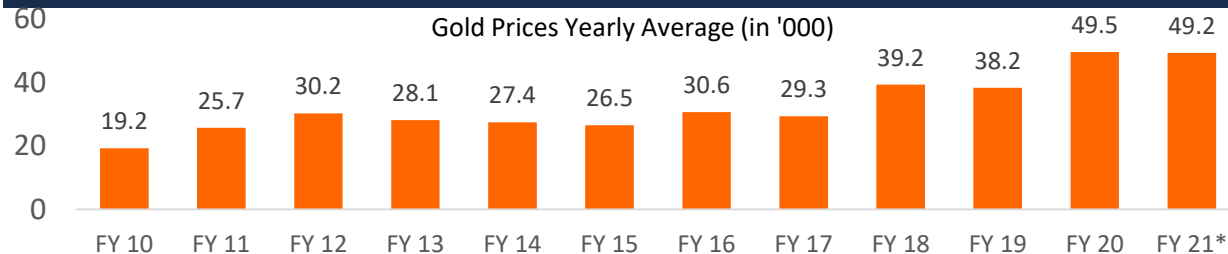
Source: CEIC, Data as on 31st October 2021.

8 Year Time Correction In Property Prices



Source: Spark Capital Research. Data as on 31st October 2021.

Wealth effect: Gold inflation



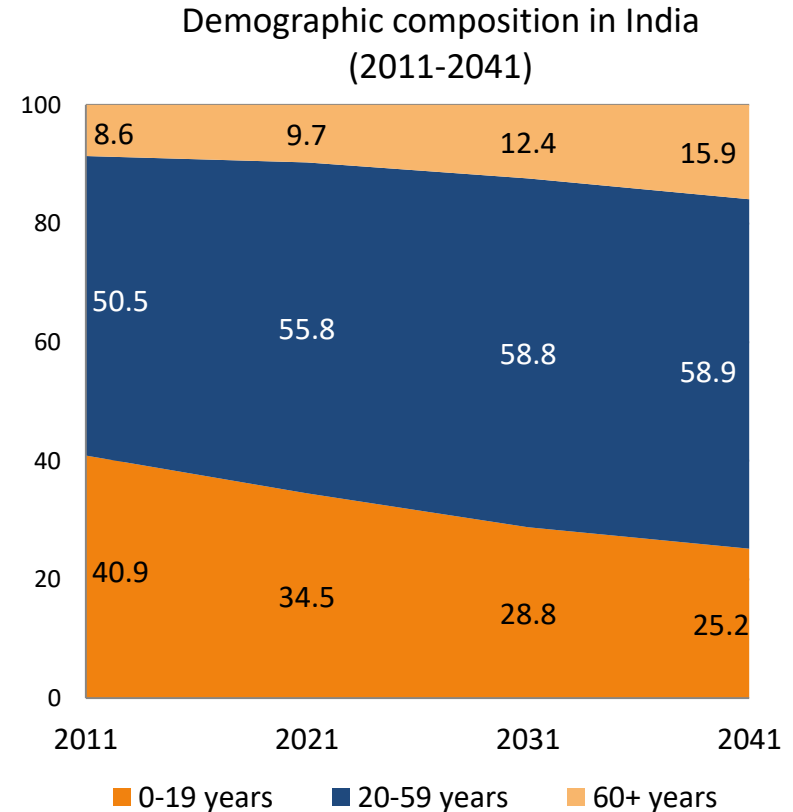
Source: Bloomberg, *Average Up to November 21

Past Performance may or may not be sustained in future

Favorable Demographics To Support Long Term Growth

	Median Age	
	2020	2035E
India	29*	33
China	38	45
Korea	44	50
Japan	48	52
USA	38	41

- Median age: 28 as on 2020 (*Median age: 29 as on 2022)
- Age dependency ratio is favourable till 2040



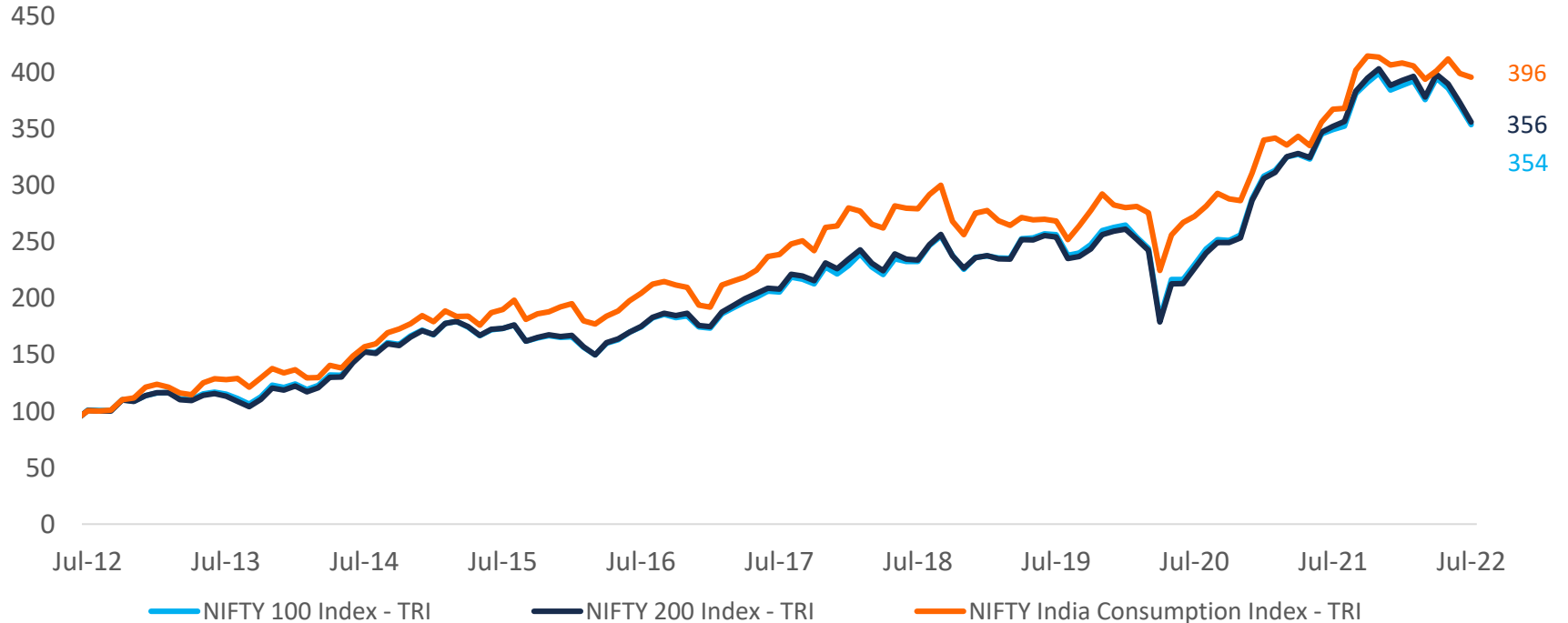


Consumption Index

Nifty India Consumption Index vs Other Indices – 10 Years Movement



Nifty India Consumption Index (TRI) vs Nifty 100 Index (TRI) vs Nifty 200 Index (TRI)



Nifty India Consumption Index vs Other Indices - Comparison

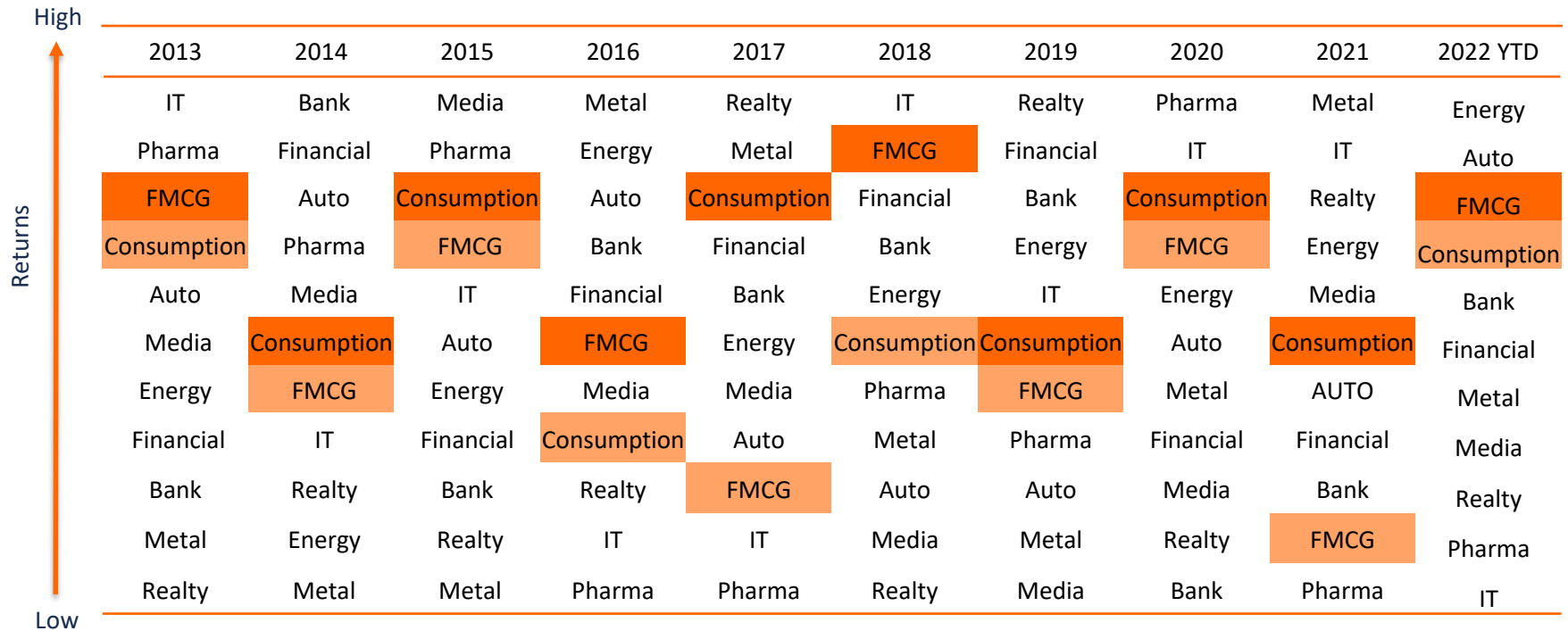
Sectors	Nifty India Consumption Index (%)	Nifty 100 Index (TRI) (%)	Nifty 500 Index (TRI) (%)
Automobile and Auto Components	18.57	4.58	4.91
Consumer Durables	16.76	3.28	4.04
Consumer Services	7.39	1.52	2.16
Fast Moving Consumer Goods	37.21	8.42	7.35
Healthcare	2.22	4.51	5.46
Media, Entertainment & Publication	1.22	0	0.43
Power	5.94	2.92	2.92
Telecommunication	9.25	2.12	2.03
Textiles	1.43	0	0.47
Total	99.99	27.35	29.77

Standard Deviation*	1 Year	3 Year	5 Year
Nifty India Consumption Index (TRI)	12.83	10.02	16.71
Nifty 100 Index (TRI)	18.82	12.11	18.86
Nifty 500 Index (TRI)	20.80	12.46	20.34

Risk Free Rate: 5.25 – MIBOR as on 29th July, 2022

Even After having sectoral allocations, Nifty India Consumption Index (TRI) has lower Standard Deviation compare to that of Nifty 100 (TRI), & Nifty 500 (TRI).

Performance of Consumption and FMCG sector vs other sectors



Nifty India Consumption Index - TRI/Nifty FMCG Index - TRI has returned 20.11%/11.66% respectively (2021)

Source: NSE, Annual Returns Data as on 29th July, 2022. Past performance may or may not sustain in future. Returns are absolute %.

For comparison purpose indices used are: Nifty IT, Nifty Pharma, Nifty FMCG, Nifty India Consumption, Nifty Auto, Nifty Media, Nifty Energy, Nifty Financial, Nifty Bank, Nifty Metal, Nifty Realty



Understanding Mirae Asset Great Consumer Fund

Mirae Asset Great Consumer Fund

Investments in Fund

Equity & equity related securities of companies benefiting directly or indirectly from consumption led demand in India

Investment Framework

Aims to capture growth from a broad range of sectors
Portfolio will comprise of growth companies which have a strong return ratio (ROE) and possess sustainable competitive advantage

Why Mirae Asset Great Consumer Fund?

Investment in a long term consumer theme
Flexibility to invest across market capitalisation & styles




Fund Manager



Mr. Ankit Jain
(Since October 2016)



Mr. Siddhant Chhabria
(Since June 2021)

<u>Fund Inception</u>	<u>Category</u>	<u>Benchmark</u>
29 th March, 2011	Consumption Fund	Nifty India Consumption Index (TRI)
<u>Goal</u>	<u>Ideal Investment Horizon</u>	<u>Risk Profile</u>
 Wealth Creation	 5+ Years	 Very High Risk

Investment Framework



The Fund seeks to invest in a basket of stocks benefiting either directly or indirectly from **consumption led demand in India**



Endeavour to maintain a **concentrated portfolio of 30 – 40 stocks**, in sectors like FMCG, Autos, Realty, Healthcare, E-commerce, Media & Entertainment, Telecom, Banks & Financial Services, Education, Transportation and Tourism & Hospitality



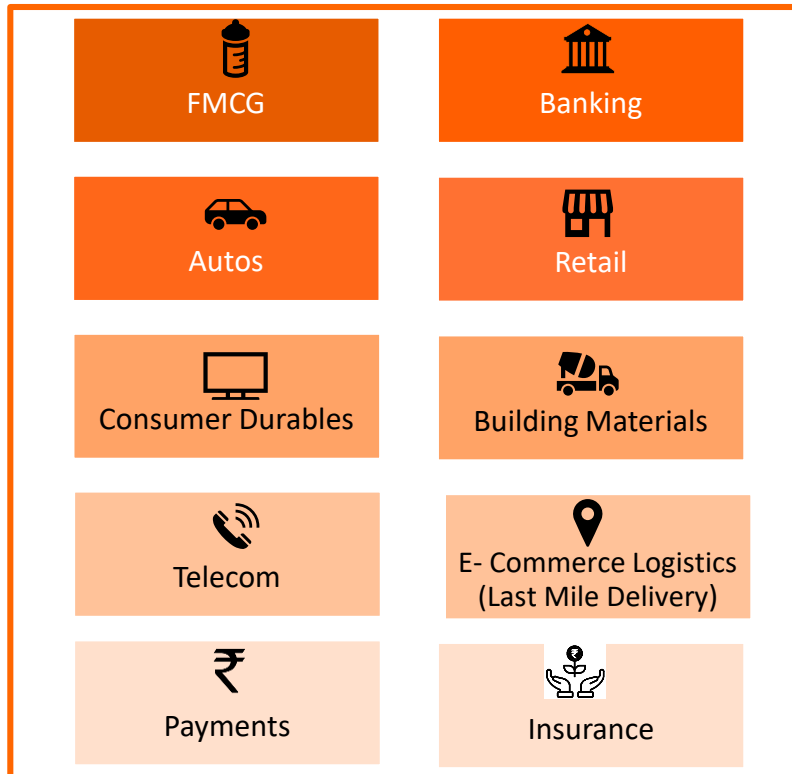
The Fund is managed using a **fundamental, bottom-up approach** that aims to identify growth companies which have high return ratios (ROE) and possess sustainable competitive advantage



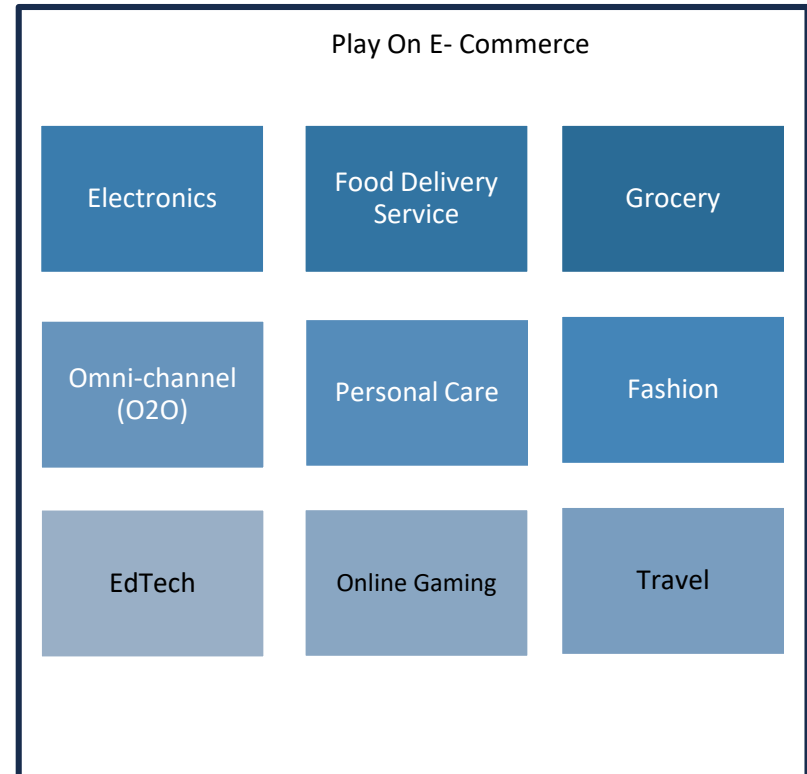
The Fund has **flexibility to invest across market cap or style** in selecting investment opportunities

Investment Universe of Consumption Theme: New Opportunities Emerging

Current Investment Universe



Potential Additions to Universe



Source: Internal. Data as on 29th July 2022. The sector(s)/stock(s)/issuer(s) mentioned herein do not constitute any research report/recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s).

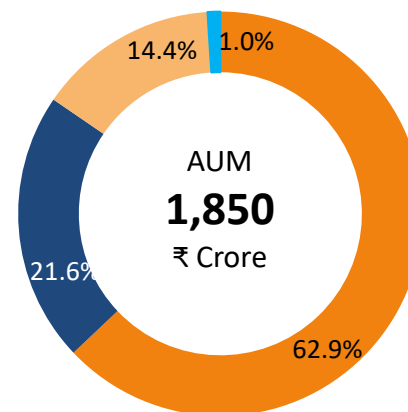
Portfolio Psychographics



Portfolio Top Holdings	Allocation
ITC Limited	6.96%
TVS Motor Company Limited	5.89%
Hindustan Unilever Limited	5.49%
Bharti Airtel Limited	5.13%
Asian Paints Limited	4.50%
Titan Company Limited	4.07%
Maruti Suzuki India Limited	3.94%
Axis Bank Limited	3.88%
HDFC Bank Limited	3.64%
Page Industries Limited	3.49%
Others	52.00%
Cash	1.02%

Concentration	Allocation
Top 5	27.97%
Top 10	46.98%
Top 15	62.66%

Current Allocation



■ Large Cap ■ Mid Cap ■ Small Cap ■ Cash

Sector Allocation

Sector	Portfolio Weight (%)	Benchmark Weight (%)	Overweight/ Underweight (%)
Fast Moving Consumer Goods	33.37	37.03	-3.66
Consumer Durables	19.90	19.09	0.81
Financial Services	13.22	-	13.22
Automobile and Auto Components	12.63	17.56	-4.93
Telecommunication	6.26	9.46	-3.2
Consumer Services	5.11	8.71	-3.6
Healthcare	3.82	2.62	1.2
Textiles	2.41	1.34	1.07
Capital Goods	2.39	-	2.39
Others	0.89	4.19	-3.3

Note: As per [NSE Indices Ltd. Industry Classification Structure April 2022](#), Industry and Sector classification has changed. Please refer the attached link for more details.

Source: Internal, Data as on 29th July, 2022. Benchmark*- Nifty India Consumption Index (TRI) ^Past performance may or may not sustain in future

The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). For complete portfolio of the scheme visit <https://www.miraeassetmf.co.in/downloads/portfolio>.

Sector Holdings Rationale

Sector	Positioning*	Rationale
Financial Services	Overweight	The fund is overweight on Insurance and AMC businesses which have got long term structural growth drivers of low penetration and financialization of savings. The fund is positive on certain retail oriented private sector banks on account of strong growth visibility as a result of consistent market share gain.
Automobile and Auto Components	Underweight	The fund is underweight in automobiles as the sector faces multiple headwinds like 1) Weak discretionary demand for high ticket items, 2) Chip shortages impacting production 3) Inability to pass on RM inflation, 4) Emergence of EVs which will disrupt business models that aren't aligned in adopting newer technology. Sector valuations are trading at a discount to historical average which limits our stance to marginal underweight.
FMCG	Underweight	The fund is marginal underweight on FMCG as we believe the sector faces multiple headwinds like 1) Demand slowdown in rural area 2) Lower middle-class income levels have been impacted during COVID 3) Significant RM inflation, although pricing power is high but weak consumption environment is limiting price pass-through and hence resulting in margin pressure 4) Long term threat to distribution moat for FMCG due to emergence of e-B2B models and e-commerce/modern trade gaining share from general trade. Sector valuations are trading at a discount to historical average which limits our stance to marginal underweight.

Source: Internal, Data as on 29th July, 2022. *Positioning with respect to Benchmark- Nifty India Consumption Index (TRI)

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Sector Holdings Rationale



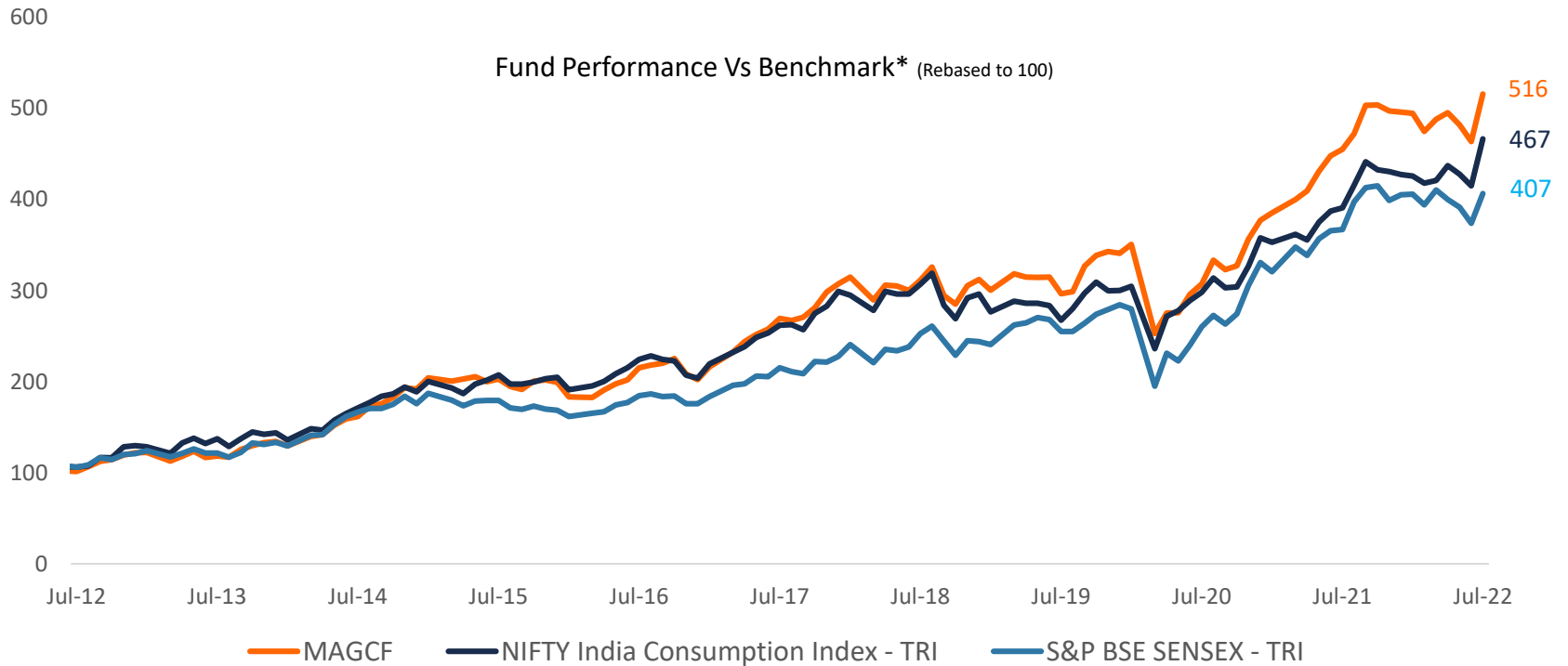
Sector	Positioning*	Rationale
Tele Communication	Underweight	The fund is marginal underweight on the sector owing to 1) Weak pricing power 2) Intense competition leading to inferior RoI (Return on Investment) of the sector
Consumer Durables	Overweight	The fund is overweight the sector owing to 1) Real estate upcycle 2) Shift from unorganised to organised (category leaders are gaining share) 3) Valuations are reasonable on a relative basis
Consumer Services	Underweight	The fund is constructive on long term growth opportunity but await a good entry point.
Healthcare	Overweight	The fund is overweight on hospital/diagnostic sector on account of long term growth visibility owing to; 1) Low penetration 2) Increased affordability with higher penetration of health insurance 3) Increased health awareness

Source: Internal, Data as on 29th July, 2022. *Positioning with respect to Benchmark- Nifty India Consumption Index (TRI) The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). For complete portfolio of the scheme visit <https://www.miraeassetmf.co.in/downloads/portfolio>.



Our Journey

MAGCF- 10 Years Journey Of Wealth Creation



Source: AceMF, Data as on 29th July 2022. The details mentioned are for Mirae Asset Great Consumer Fund – Regular Plan – Growth Option.. Benchmark*- Nifty India Consumption Index (TRI), Additional Benchmark- S&P BSE Sensex (TRI). Past performance may or may not sustain in future

Mirae Asset Great Consumer Fund – Lumpsum Report Card



Period	Returns(%)		
	MAGCF	Scheme Benchmark*	Additional Benchmark**
Last 1 year	12.99	19.44	10.75
Last 3 years	20.54	20.25	16.72
Last 5 years	13.75	12.23	13.42
Since Inception [^]	16.49	15.27	11.75
Value of Rs. 10,000 invested (in Rs.) Since Inception [^]	56,462	50,128	35,268
NAV (as on 29 th July 2022)	56462		
Index Value (as on 29 th July 2022)	Index Value of Nifty India Consumption Index (TRI) is 9,216.47 and S&P BSE Sensex (TRI) is 86,713.60		
Date of allotment	29th March, 2011		
Scheme Benchmark*	Nifty India Consumption Index (TRI)		
Additional Benchmark**	S&P BSE Sensex (TRI)		

Past Performance may or may not be sustained in future. [^] - 29th July 2022.

Different Plans under the scheme has different expense structure. The reference and details provided here in are of Regular Plan - Growth Option

For computation of since inception returns (%) the allotment NAV has been taken as Rs. 10.00. Returns (%) for greater than 1 year calculated on CAGR basis

Fund manager : Mr. Ankit Jain managing the scheme since October, 2016, and Mr. Siddhant Chhabria Since June 2021 Source: AceMF, Data as on 29th July 2022.

Mirae Asset Great Consumer Fund – SIP Report Card



	1 Year	3 Years	5 Years	7 years	10 years	Since Inception
Total Amount Invested	120,000	360,000	600,000	840,000	1,200,000	1,360,000
Fund Return (%)	10.25	22.01	16.60	16.28	16.31	16.54
MKT Value as on, 29 th July 2022	126,443	495,588	907,298	1,499,117	2,818,704	3,679,327
Benchmark Returns*(%)	18.61	21.81	15.63	14.57	14.43	14.95
Additional Benchmark Returns**(%)	3.51	18.93	15.54	14.96	13.94	13.76

Past Performance may or may not be sustained in future.

Benchmark*- Nifty India Consumption Index (TRI), Additional Benchmark**- S&P BSE Sensex (TRI) Note: For computation of since inception returns (%) the allotment NAV has been taken as Rs.10.00

The above table shows performance since inception for Mirae Asset Great Consumer Fund - Regular Plan - Growth Option.

The SIP returns are calculated by XIRR approach assuming investment of Rs.10,000 on the 1st working day of every month. Source: AceMF, Data as on 29th July 2022.

Performance of other funds managed by the same fund manager (Lumpsum returns)

	NAV (in Rs.)/Date of Allotment	1 Year (Return in %)	3 Year (Return in %)	5 Year (Return in %)	Since Inception (Return in %)	Value of Rs. 10000 invested (in Rs.) Since Inception
Mirae Asset Emerging Bluechip Fund		3.69	22.67	14.77	20.45	94,351
NIFTY Large Midcap 250 Index (TRI)*	94.35/ 9 th July, 2010	8.83	21.55	12.95	13.06	43,960
S&P BSE Sensex (TRI)* *		10.75	16.72	13.42	11.71	38,041
Mirae Asset Midcap Fund		7.63	28.21	-	28.04	21,006
NIFTY Midcap 100 Index (TRI)*	21.00/ 29 th July, 2019	7.69	25.90	-	25.61	19,832
S&P BSE Sensex (TRI)**		10.75	16.72	-	16.47	15,806

Past Performance may or may not be sustained in future.

Note:1. Different Plans under the scheme has different expense structure. The reference and details provided herein are of Regular Plan - Growth Option

Mirae Asset Emerging Bluechip Fund: Fund managers : Mr. Neelesh Surana managing the scheme since 9th July, 2010 & Mr. Ankit Jain since 31st, January 2019.

Mirae Asset Midcap Fund : Fund manager : Mr. Ankit Jain managing the scheme since July, 2019 For computation of since inception returns (%) the allotment NAV has been taken as Rs. 10.00 for the Schemes

The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. CAGR - Compounded Annualised Growth returns. NAV (per unit) is at the end of the period.

In case, the start / end date of the concerned period is a non-business date (NBD), the NAV of the previous date is considered for computation of returns.

**Additional benchmark, *Benchmark Source: AceMF, Data as on 29th July 2022.



Equity Ratios[^]

PE Ratio	62.35
PB Ratio	14.60
Turnover ratio (%)	0.51 Times
Alpha	0.28%
Beta	1.04
Treynor Ratio	0.15

*Rolling Returns Since Inception

	3-year	5-year
More than 8%	89.85%	95.53%
More than 10%	88.83%	92.27%
More than 15%	64.99%	70.26%

For computation of Rolling returns (%) the allotment NAV has been taken as Rs. 10.00 for the Schemes Data as on 29th July 2022.

The calculations of returns shall assume reinvestment of all payouts at the then prevailing NAV. *Rolling Returns has taken as CAGR for given period.

In case, the start / end date of the concerned period is a non-business date (NBD), the NAV of the previous date is considered for computation of returns.

Benchmark** - Nifty India Consumption Index (TRI),

Source: AceMF, Data as on 29th July 2022. Past Performance may or may not be sustained in future. ^All ratios are calculated for 3 years time frame



Mirae Asset Midcap Fund

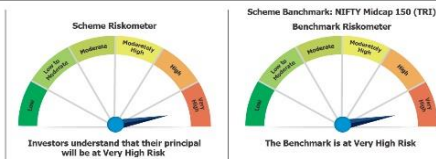
(Midcap Fund-An open ended equity scheme predominantly investing in mid cap stocks)

PRODUCT LABELLING

Mirae Asset Midcap Fund is suitable for investors who are seeking*

- To generate long term capital appreciation/income
- Investments predominantly in equity and equity related securities of midcap companies

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



Mirae Asset Emerging Bluechip Fund

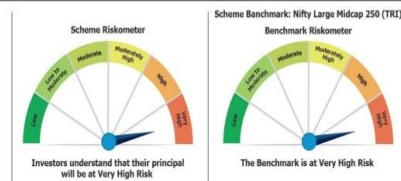
(Large & Mid Cap Fund -An open ended equity scheme investing in both large cap and mid cap stocks)

PRODUCT LABELLING

Mirae Asset Emerging Bluechip Fund is suitable for investors who are seeking*

- Long term capital appreciation
- Large & Mid Cap fund investing atleast 35% in large cap stock & atleast 35% in mid cap stocks

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



Mirae Asset Great Consumer Fund

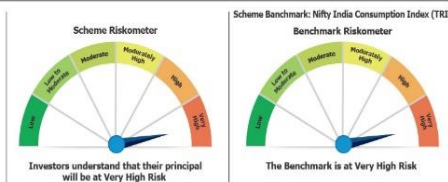
(Sectoral/Thematic Fund - An open ended equity scheme following consumption theme)

PRODUCT LABELLING

Mirae Asset Great Consumer Fund is suitable for investors who are seeking*

- Long term capital application
- Thematic fund investing in equity & equity related securities of companies benefiting directly or indirectly from consumption demand in India

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



Disclaimer

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 publically 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 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. The views, facts and figures in this document are as of 29th July, 2021 unless stated otherwise.

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

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



MIRAE ASSET
Mutual Fund

