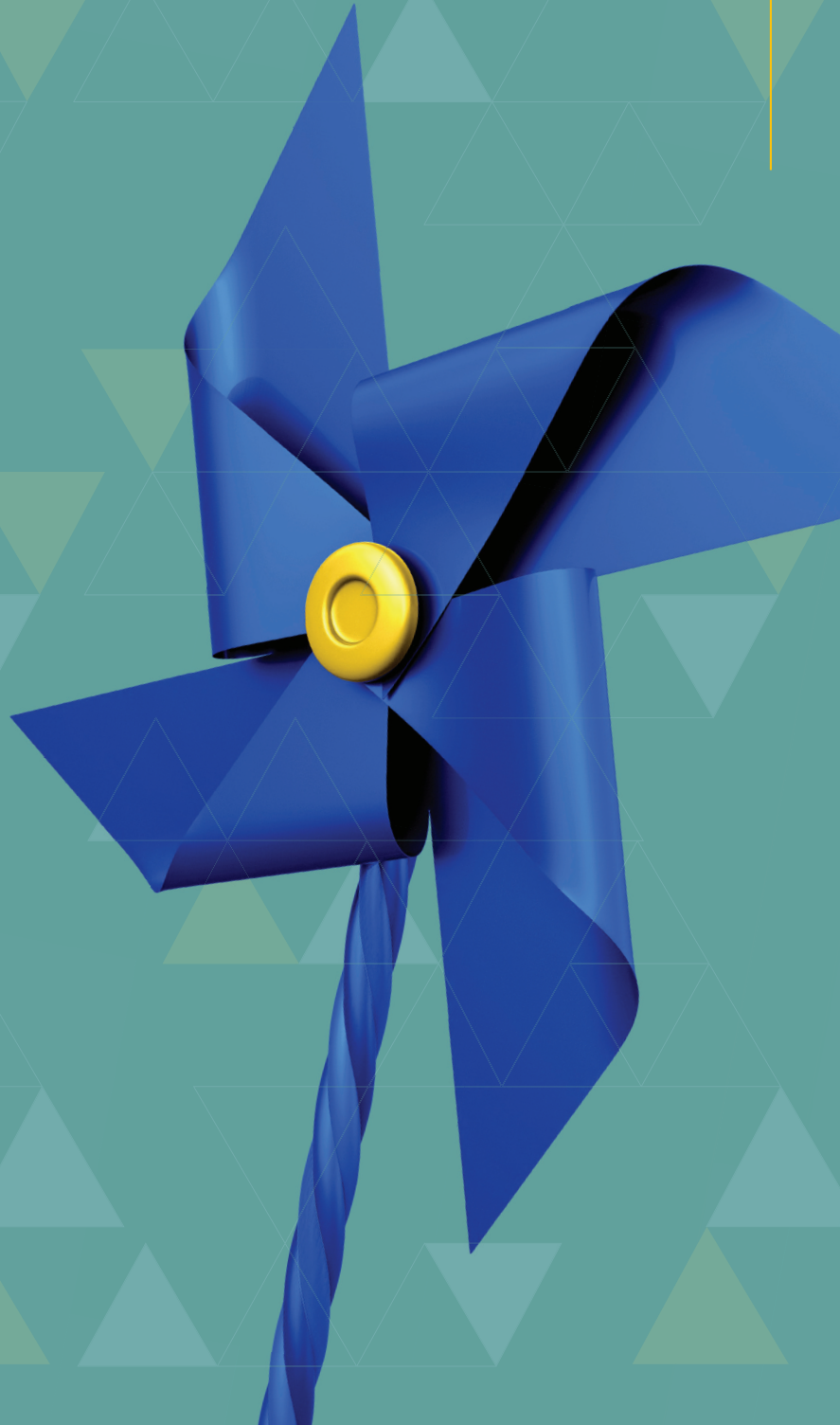


# MONTHLY FACTSHEET

DECEMBER 2018



## Macro Economy & Event Update

- The month of Nov 2018 saw most of the major markets gain as the U.S. Federal Reserve (Fed) seemed to become dovish on interest rates. Investors had much to look forward to with the G20 summit scheduled for Nov 30 and Dec 1, 2018. U.S. and China were expected to iron out their differences at the summit and provide a respite to the trade conflict affecting the global economy for a while. The outcome of the meeting came along expected lines as both the nations agreed to a ceasefire in their bitter trade war for a period of 90 days during which they would carry out their negotiations.
- U.S. markets were buoyed by the outcome of the mid-term elections and the U.S. Fed chair's comments. Investors also looked forward to the upcoming meeting between U.S. and China at the G20 summit. European markets bucked the trend and fell amid Brexit concerns and tensions between the European Union and Italy.
- Asian markets gained on the back of predictions that the U.S. Fed has become dovish and may slow down its pace of interest rate hikes. The upcoming meeting of U.S. and China at the G20 summit made investors hopeful of a solution to the trade problems between the two nations.
- Indian equity markets had many reasons to gain, foremost being a stronger rupee against the greenback, plunge in global crude oil prices, U.S. Fed chairman's speech and expectations of resolving trade tensions at the G20 summit. The factor that kept markets restricted was cautious stance of investors before the release of important economic data and ahead of elections in some states.
- Bond yields declined as global crude oil prices slid and the rupee strengthened against the greenback. The Reserve Bank of India (RBI) conducting Open Market Operations (OMO) to boost liquidity supported sentiment. Market sentiment got better when retail inflation for Oct 2018 came lower than expected, igniting hopes that interest rates would remain unchanged.
- In the last month of 2018, investors will keep their eyes on the upcoming state elections, the fifth bi-monthly monetary policy review and movement of crude oil prices, among other factors. Considering inflationary pressures are under control, the Monetary Policy Committee might not increase interest rates. Bond yields will also depend on movement of global crude oil prices. With the general election year drawing close, focus will be on the fiscal deficit targets.

### Key Economic Indicators

Indicators	Current	Previous
WPI (Oct-18)	5.28%	5.13%
IIP (Sep-18)	4.50%	4.70%
CPI (Oct-18)	3.31%	3.70%

Source: Thomson Reuters Eikon

### Growth of the Indian economy slows to 7.1% in Q2FY19

- The growth of the Indian economy slowed significantly in the second quarter of FY19 after peaking in the first quarter. The slowdown came as consumption demand moderated and the services sector remained subdued to some extent. Gross Domestic Product (GDP) slowed to 7.1% in Q2FY19 from 8.2% in Q1FY19. However, the growth rate was higher compared with 6.3% registered in the same period of the previous year (Q2FY18). In gross value-added terms also the growth of the Indian economy moderated to 6.9% in Q2FY19 from 8.0% in Q1FY19.

### Growth rate of the manufacturing sector plunged to 7.4% in Q2FY19 from 13.5% in Q1FY19

- The growth of the Indian economy moderated across various sectors in the second quarter of FY19. The growth rate of the manufacturing sector plunged to 7.4% in Q2FY19 from 13.5% in Q1FY19 and this might be due to higher input costs. Higher global crude oil prices led to higher energy and fuel costs that increased input costs. Also, a weaker rupee against the greenback might have increased the cost of production. The growth of the agriculture sector slowed to 3.8% in Q2FY19 from 5.3% Q1FY19, which might be due to irregular spatial distribution of monsoons and unprecedented floods in Kerala. The financial, real estate and professional services sector slowed to 6.3% in Q2FY19 from 6.5% in Q1FY19 which might be due to strain in the banking and telecom sectors. The growth rate of construction sector also slowed to 7.8% in Q2FY19 from 8.7% in Q1FY19. The mining sector also witnessed a contraction of 2.4% in Q2FY19 compared with a growth of 0.1% in Q1FY19.

### India's fiscal deficit for Apr to Oct 2018 came in at Rs. 6.48 lakh crore, or 103.9% of the budgeted target for FY19

- Government data showed that India's fiscal deficit for Apr-Oct 2018 came in at Rs. 6.48 lakh crore, or 103.9% of the budgeted target for FY19 as against 96.1% in the corresponding period of the previous year. Net tax receipts were Rs. 6.61 lakh crore or 44.7% of the budget estimate for FY19 compared with 51.6% in the corresponding period of the previous year. The government's total expenditure for the period from Apr to Oct of 2018 stood at Rs. 14.56 lakh crore or 59.6% of the budget estimate for FY19 compared with 60.2% in the corresponding period of the previous year.

### India's retail inflation fell to a 13-month low in Oct 2018

- Government data showed that the consumer price index-based inflation or retail inflation came in at a 13-month low of 3.31% in Oct 2018 compared with 3.70% in the previous month and 3.58% in the same month of the previous year. The consumer food price index-based inflation subsequently stood at -0.86% in Oct 2018 compared with 0.51% in the previous month and 1.90% in the same month of the previous year.

## Equity Market

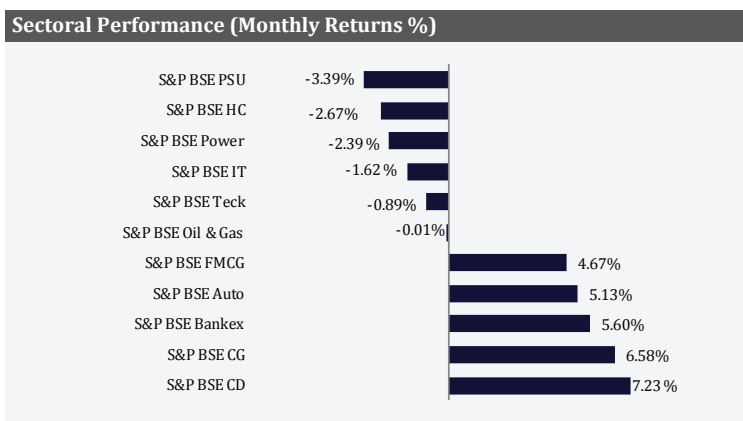
- After two consecutive months of fall, domestic equity markets posted gains in Nov 2018 on the back of weakness in crude oil prices, strength in rupee against the greenback along with stronger quarterly earnings numbers for Sep 2018. Optimism over U.S. Federal Reserve's dovish tone on interest rates and expectations of progress on trade talks between U.S. and China also acted as catalysts. The Reserve Bank of India's board advised the central bank to support small businesses and give banks more time to fulfil capital regulations.
- U.S. markets largely remained positive led by the results of the highly anticipated mid-term elections, which came largely in line with expectations. The Democratic candidates managed to regain confidence of a number of suburban districts across the country, thereby paving way for control of the House of Representatives. Meanwhile, Democrats did not fare as well in the Senate, as Republicans expanded their majority in the upper chamber. Market sentiment was further boosted following comments of U.S. Federal Reserve chief, which raised speculation regarding the U.S. central bank adopting a dovish stance on key interest rate. Buying interest found additional strength from growing optimism ahead of a highly anticipated meeting between U.S. and Chinese Presidents.
- Initial uncertainty over Brexit kept European markets under pressure. Investor sentiment improved later after the British Prime Minister obtained cabinet's support for the proposed Brexit deal to move forward. However, the buying interest soon waned following the resignation of U.K. Brexit secretary and junior Brexit minister from the government in protest to the U.K. Prime Minister's Brexit plans. Another factor which had a bearing on market sentiment is the lingering concerns regarding Italy's budget plans. Series of weak economic data further soured market sentiment. Flash estimates from IHS Markit showed slowest pace of growth of euro zone private sector in nearly four years in Nov. Also, Germany's private sector growth slowed more than expected in Nov to its lowest level in almost four years.
- Majority of the Asian markets went up barring Chinese markets which fell during the month. Concerns over faster pace of U.S. interest rate hike took a backseat following comments of U.S. Federal Reserve chief in a speech to the Economic Club of New York. Japanese markets rose after Ministry of Economy, Trade and Industry said that retail sales in Japan were up a seasonally adjusted 1.2% in Oct 2018, exceeding market expectations for an increase of 0.4% and followed by a 0.2% decline in Sep 2018. Meanwhile, optimism over resolution of the ongoing trade turf between U.S. and China continued to provide underlying support to the market sentiment.
- The market is expected to remain focused towards the outcome of the upcoming elections in some major Indian states and the fifth bi-monthly monetary policy review scheduled in Dec 2018. Global growth fears and monetary policy stances by the major central banks across the globe are likely to keep the investors cautious too. Movement of the crude oil prices will also play pivotal role in determining future growth path as Organization of the Petroleum Exporting Countries is likely to introduce new measures to reduce its output in its upcoming meeting in Vienna on Dec 6.

Domestic Indices Performance				
Indicators	30-Nov-18	31-Oct-18	Chg %	YTD%
S&P BSE Sensex	36,194	34,442	5.09	6.28
Nifty 50	10,877	10,387	4.72	3.29
S&P BSE 200	4,627	4,440	4.20	-1.12
Nifty Midcap 100	17,504	17,189	1.83	-17.18
Nifty Dividend Opportunities 50	2,528	2,541	-0.49	-4.14
S&P BSE Smallcap	14,427	14,201	1.59	-24.98

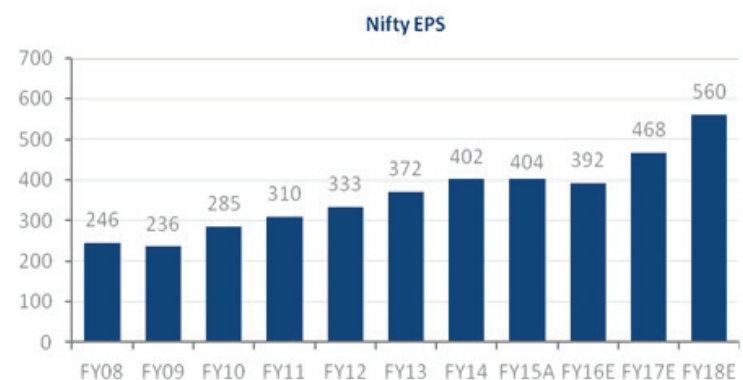
Source: Thomson Reuters Eikon

Global Indices Performance				
Global Indices	30-Nov-18	31-Oct-18	Chg %	YTD%
Dow Jones	25,538	25,116	1.68	3.31
FTSE	6,980	7,128	-2.07	-9.20
CAC	5,004	5,093	-1.76	-5.81
Hang Seng	26,507	24,980	6.11	-11.41
SSE Composite Index	2,588	2,603	-0.56	-21.74

Source: Thomson Reuters Eikon



Source: Thomson Reuters Eikon



Institutional Flows (Equity) As on Nov 30, 2018				
(₹ Cr)	Purchases	Sales	Net	YTD
FII Flows	1,28,193	1,16,601	11,591	-88,315
MF Flows	53,210	47,967	5,243	1,17,621
DII Flows	64,577	64,203	373	1,13,374

Source: NSDL, NSE & SEBI

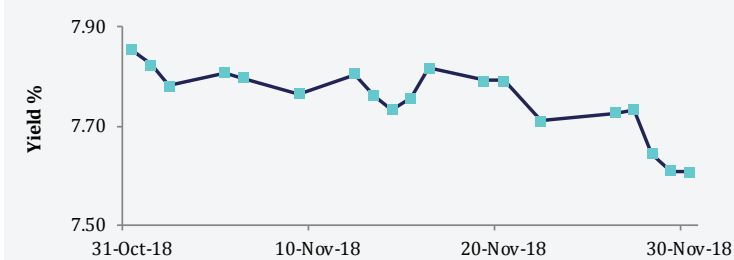
## Debt Market

- Bond yield fell sharply following slide in global crude oil prices and strengthening of Indian rupee against the greenback. Moreover, buying improved after the Reserve Bank of India announced purchase of bonds worth Rs. 40,000 crore in Dec 2018 via Open Market Operations to support banking system liquidity. Lower than expected retail inflation in Oct 2018 sparked hopes that the Monetary Policy Committee would keep interest rates unchanged, which improved market sentiment.
- Yield on gilt securities plunged across maturities in the range of 18 bps to 36 bps. Yield on corporate bonds fell across maturities in the range of 26 bps to 51 bps. Difference in spread between AAA corporate bond and gilt contracted across maturities by up to 19 bps, barring 4-year paper that remained flat. The maximum expansion was witnessed on 1-year paper and the minimum on 3-year paper.
- Bond yields moving forward will depend on movement of global crude oil prices considering excess supply in the market. Domestic retail inflationary pressures have eased as retail inflation continues to remain below the 4% level for the third consecutive month in Oct 2018. MPC in its Fifth Bi-monthly Monetary Policy Statement for FY19 scheduled Dec 3 to Dec 5, 2018, is likely to keep policy rates unchanged considering lower crude oil prices, appreciation in Indian rupee and easing consumer inflation. Meanwhile, bond market continues to benefit from RBI's liquidity infusion through purchase of government securities via OMOs. Market participants will also see whether the government is able to adhere to the fiscal consolidation roadmap as the country approaches the election year.

## Currency and Commodity Market

- The rupee surged against the greenback during the month under review as more than 20% drop in global crude oil prices boosted market sentiment. Gains in the domestic equity market further strengthened the rupee. A favourable outcome of the crucial board meeting between the government and the Reserve Bank of India also provided support to the domestic currency. The greenback continued to remain under pressure after comments by the U.S. Federal Reserve chief indicated that the U.S. central bank might be at the end of the monetary tightening cycle.
- Brent crude prices slumped below \$60 per barrel level amid fears of oversupply and the slowdown in the global economy owing to geopolitical factors. Simultaneously, supply has been rising with massive growth in U.S. crude inventories, and high production in Saudi Arabia and Russia. However, easing trade tensions between U.S. and China gave some comfort to the commodity. Further, expectations that Organization of the Petroleum Exporting Countries and its allies would agree to cut output in Dec 2018 restricted the losses.

### 10-Year Benchmark Bond (7.17% GS 2028) Movement



Source: Thomson Reuters Eikon

### Spread Movement

Spreads		AAA	AA	A
30-Nov-18	1 Yr	122	175	313
	3 Yr	97	157	249
	5 Yr	77	106	159
31-Oct-18	1 Yr	141	156	244
	3 Yr	98	157	251
	5 Yr	80	98	168

Source: Thomson Reuters Eikon

Yield (%)	30-Nov-18	31-Oct-18
10 Year G-Sec	7.61	7.85
5 Year G-Sec	7.52	7.83
3 Year G-Sec	7.42	7.65

### Certificate of Deposit

	30-Nov-18	31-Oct-18
3-Month	7.24	7.51
6-Month	7.36	7.71
9-Month	8.33	8.40
12-Month	8.48	8.39

### Commercial Papers

	30-Nov-18	31-Oct-18
3-Month	7.75	8.65
6-Month	8.90	8.90
12-Month	9.05	9.10

Source: Thomson Reuters Eikon

Treasury Bill	30-Nov-18	31-Oct-18
91 Days	6.77	6.93
364 Days	7.19	7.47

### Event Calendar

Release Date	Release Date	Country
07-Dec-18	Nonfarm Payrolls (Nov)	U.S.
13-Dec-18	ECB Monetary Policy Review	Euro Zone
19-Dec-18	U.S. Federal Reserve Monetary Policy	U.S.
20-Dec-18	Bank of Japan Monetary Policy	Japan
20-Dec-18	Bank of England Monetary Policy	U.K.

# IIFL Focused Equity Fund (Formerly known as IIFL India Growth Fund)

(An open ended equity scheme investing in maximum 30 multicap stocks)



## Investment Objective

The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. However there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

## Fund Manager Mr. Prashasta Seth

Mr. Seth has over 17 years of experience in the financial services industry. He is an MBA from IIM Ahmedabad and B Tech from IIT Kanpur. His previous assignments include a stint in JP Morgan, London and heading Irevna (a Standard & Poor's company). Mr. Seth has been managing scheme since November 03, 2016.

## Fund Details

<b>Date of Allotment</b>	: October 30, 2014
<b>Bloomberg Code</b>	: IIFGRRG IN
<b>Benchmark Index</b>	: Nifty 50 TRI
<b>Plans Offered</b>	: Regular & Direct
<b>Options Offered</b>	: Growth & Dividend
<b>Minimum Application:</b>	
<b>New Purchase</b>	: ₹5,000 and in multiples of ₹100 thereafter
<b>Additional Purchase</b>	: ₹1,000 and in multiples of ₹100 thereafter
<b>Monthly SIP Option</b>	: ₹1,000 per month for a minimum period of 6 months
<b>Quarterly SIP Option:</b>	₹1,500 per quarter for a minimum period of 4 quarters
<b>Entry Load</b>	: NIL
<b>Exit Load</b>	: 4% - if redeemed/switched out, on or before 3 months from the date of allotment w.e.f August 2, 2018.
<b>Dematerialization</b>	: D-Mat Option Available
<b>Portfolio Turnover Ratio (based on 1 year monthly data)</b>	: 1.18 times

## NAV as on November 30, 2018

<b>Regular - Growth</b>	: ₹14.0196
<b>Regular - Dividend</b>	: ₹12.4033
<b>Direct - Growth</b>	: ₹14.7288
<b>Direct - Dividend</b>	: ₹14.5394

## AUM as on November 30, 2018

<b>Net AUM</b>	: ₹ 171.26 crore
<b>Monthly Average AUM</b>	: ₹ 175.41 crore

## Total Expense Ratio

<b>Regular Plan</b>	: 2.48% p.a.
<b>Direct Plan</b>	: 0.96% p.a.

Total Expense Ratio is as on the last business day of the month.

## Volatility Measures Fund Benchmark

<b>Std. Dev (Annualised)</b>	16.16%	13.81%
<b>Sharpe Ratio</b>	0.19	0.19
<b>Portfolio Beta</b>	0.97	1.00
<b>R Squared</b>	0.68	NA
<b>Treynor</b>	0.01	0.01

## Portfolio as on November 30, 2018

Company Name	Industry	% to Net Assets
<b>Equity &amp; Equity Related Total</b>		
HDFC Bank Limited	Banks	9.78
Merck Limited	Pharmaceuticals	8.04
Infosys Limited	Software	5.87
State Bank of India	Banks	5.66
ICICI Bank Limited	Banks	4.99
CESC Limited	Power	4.88
GlaxoSmithKline Consumer Healthcare Limited	Consumer Non Durables	4.79
Tech Mahindra Limited	Software	4.53
CreditAccess Grameen Limited	Finance	4.19
Zensar Technologies Limited	Software	4.01
SRF Limited	Textile Products	3.29
Reliance Industries Limited	Petroleum Products	3.25
Bajaj Finance Limited	Finance	3.13
Bajaj Finserv Limited	Finance	3.07
IPCA Laboratories Limited	Pharmaceuticals	3.05
Muthoot Finance Limited	Finance	2.90
Sun Pharmaceutical Industries Limited	Pharmaceuticals	2.90
Tata Motors Ltd DVR Shares	Auto	2.49
Cholamandalam Investment and Finance Company Limited	Finance	2.29
SBI Life Insurance Company Limited	Finance	2.23
Aavas Financiers Limited	Finance	2.13
Siemens Limited	Industrial Capital Goods	2.05
IIFL Holdings Limited	Finance	1.99
Balkrishna Industries Limited	Auto Ancillaries	1.68
L&T Finance Holdings Limited	Finance	1.29
Shankara Building Products Limited	Ferrous Metals	1.26
<b>Unlisted<sup>#</sup></b>		
Odisha Cement Limited	Cement	1.62
RP SG Retail Limited	Retailing	0.81
RP SG Business Process Services Limited	Software	0.54
<b>Sub Total</b>		<b>98.71</b>
TREPS <sup>##</sup>		1.58
Net Receivables / (Payables)		-0.29
<b>Portfolio Total</b>		<b>100.00</b>

## Scheme Performance

	30-Nov-17 to 30-Nov-18	PTP (₹)	30-Nov-15 to 30-Nov-18	PTP (₹)	Since Inception <sup>s</sup>	PTP (₹)
IIFL Focused Equity Fund - Reg - Growth	-7.20%	9,280	9.50%	13,133	8.62%	14,021
IIFL Focused Equity Fund - Dir - Growth	-5.83%	9,417	10.82%	13,614	9.94%	14,731
Benchmark*	7.82%	10,782	12.54%	14,258	8.60%	14,011
Additional Benchmark**	10.52%	11,052	12.93%	14,407	8.54%	13,979

Past performance may or may not be sustained in future.

Different plans shall have different expense structure.

As on November 30, 2018; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000; Since Inception date is 30-Oct-2014; \*Nifty 50 TRI; \*\* S&P BSE Sensex TRI; Managed by the fund manager since November 03, 2016; Scheme has been in existence for more than 3yrs but less than 5yrs.

The performance of the scheme is benchmarked to the Total Return variant of the Index.

## SIP - If you had invested ₹10,000 every month

	30-Nov-17 to 30-Nov-18	30-Nov-15 to 30-Nov-18	Since Inception
Total Amount Invested (₹)	1,20,000	3,60,000	4,80,000
Total Value as on Nov 30, 2018(₹)	1,13,971	3,90,139	5,45,391
Returns	-9.20%	5.30%	6.33%
Total Value of Benchmark: Nifty 50 TRI (₹)	1,22,898	4,33,190	5,96,241
Benchmark: Nifty 50 TRI	4.52%	12.41%	10.84%
Total Value of Benchmark: S&P BSE Sensex TRI (₹)	1,24,621	4,42,316	6,06,874
Additional Benchmark: S&P BSE Sensex TRI	7.23%	13.85%	11.74%

(Inception date :30-Oct-2014) (First Installment date : 01-Dec-2014)

Source: MFI Explorer; Above returns are calculated assuming investment of ₹10,000/- on the 1st working day of every month. CAGR return are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan -Growth option. The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. Managed by the fund manager since November 03, 2016.

The performance of the scheme is benchmarked to the Total Return variant of the Index.

## Dividend Details

	Record Date	Face Value (₹)	Cum Dividend NAV (₹) As on Feb 15, 2017	Dividend Per Unit
Regular Plan	15-Feb-17	10	12.7777	1.50
Direct Plan	15-Feb-17	10	13.0738	0.17

## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Capital appreciation over long term;
- Investment predominantly in equity and equity related instruments.

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

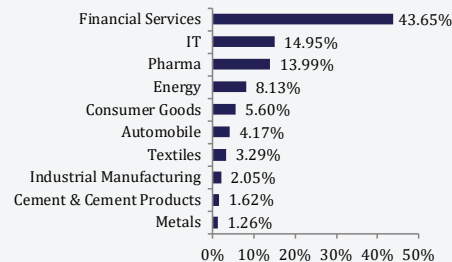
#The two unlisted entities are the demerged entities from CESC Ltd, where -

A. RP- SG Retail Limited (RPSGRL) has issued and allotted 6 fully paid up equity shares of Rs. 5/- of RPSGRL for every 10 fully paid up equity shares held in CESC Ltd.

B. RP- SG Business Process Services Limited (RPSGBPSL) has issued and allotted 2 fully paid up equity shares of Rs. 10/- of RPSGBPSL for every 10 fully paid up equity shares held in CESC Ltd.

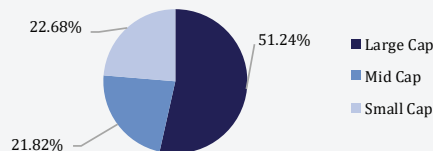
##With effect from November 05, 2018, Triparty Repo has replaced CBOs for all schemes with provisions to invest in CBO.

## Sector Allocation<sup>^^</sup>



^^Sector allocation as per AMFI classification

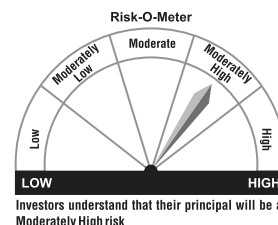
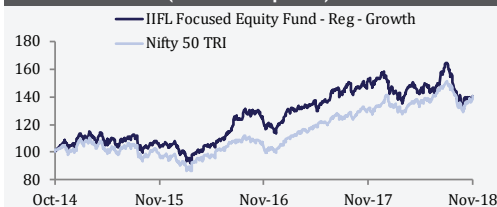
## Market Capitalisation wise Exposure<sup>^</sup>



a. Large Cap Companies: 1st -100th company in terms of full market capitalization  
b. Mid Cap Companies: 101st -250th company in terms of full market capitalization  
c. Small Cap Companies: 251st company onwards in terms of full market capitalization  
The consolidated list of stocks in terms of full market capitalization is as per the list uploaded by AMFI, in terms of SEBI circulars dated October 6, 2017 and December 4, 2017.

\*As on Nov 30, 2018

## NAV Movement (Since Inception) Rebased to 100



Investors understand that their principal will be at Moderately High risk

## Fund Commentary

A lot can happen in a month in the stock markets is one common saying in the street. Nov'18 was the perfect example of the same as macro factors driving the market seemed to have suddenly turned tides. Rising Crude Oil which was one of the biggest worries for policy makers in India has suddenly fallen over 25% in a short span and is now at comfortable levels. Currency has also appreciated and seems like an icing on the cake for the government just ahead of the much-anticipated elections in 2019. The street and investors played cautiously in the month as all eyes are on the outcome of the 5 state elections which would be declared on 11th Dec'18.

On the corporate earnings front, it has been broadly in line with expectations in 2nd quarter of FY19. Revenue growth has accelerated to multi year highs underscoring the improving domestic demand environment. On the banking sector, the performance of most banks and the commentary on the NPAs has been very encouraging for most. All the stress which was seen in the NBFC sector has also eased off and the stronger players have been able to continue their business as usual albeit at a higher cost of funding. Certainly, the positives have not gone unnoticed even from the perspective of foreign portfolio investors (FPIs) who have been net buyers for the month of November after being net sellers since April 2018.

On the global front, US rate hikes seem to have paused for now and with crude oil prices cooling off both on concerns of oversupply and slowing demand, there are fears that the global growth machinery which has been running on full steam for last few years may have peaked out. Chinese growth also is predicted to be in the 6% range from the earlier 7-8% figures it has clocked in recent years.

We believe that this uncertainty in the markets can be used over the next 6 months to build equity portfolios as valuations have become comfortable. One thing which investors should note is that on valuation front, Largecaps, Midcaps and smallcaps are almost at their average P/B levels if we see the last 10 years average data. We believe this is the time to add rather than exit equities. Uncertainties are abundant but we need to tread carefully.

## Disclaimer

The above commentary/opinions/in house views/strategy incorporated herein is provided solely to enhance the transparency about the investment strategy / theme of the Scheme and should not be treated as endorsement of the views / opinions or as an investment advice. The above commentary should not be construed as a research report or a recommendation to buy or sell any security. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. The above commentary has been prepared on the basis of information, which is already available in publicly accessible media or developed through analysis of IIFL Mutual Fund. The information/ views / opinions provided is for informative purpose only and may have ceased to be current by the time it may reach the recipient, which should be taken into account before interpreting this commentary. The recipient should note and understand that the information provided above may not contain all the material aspects relevant for making an investment decision and the stocks may or may not continue to form part of the scheme's portfolio in future. The decision of the Investment Manager may not always be profitable; as such decisions are based on the prevailing market conditions and the understanding of the Investment Manager. Actual market movements may vary from the anticipated trends. The statements made herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time. Neither IIFL Mutual Fund / IIFL Asset Management Ltd, its associates, directors or representatives shall be liable for any damages whether direct or indirect, incidental, punitive special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

# IIFL Capital Enhancer Fund Series 1

(An Annual Interval Scheme investing in Equity and Equity Related Securities)

## Investment Objective

To achieve long term capital appreciation by investing in equity and equity related securities, with strategy of hedging the portfolio with Nifty 50 Put Option and other Equity derivatives. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

## Fund Manager Mr. Prashasta Seth

Mr. Seth has over 17 years of experience in the financial services industry. He is an MBA from IIM Ahmedabad and B Tech from IIT Kanpur. His previous assignments include a stint in JP Morgan, London and heading Irevna (a Standard & Poor's company). Mr. Seth has been managing scheme since inception.

## Fund Details

<b>Date of Allotment</b>	: May 14, 2018
<b>Bloomberg Code</b>	: IICE1RG IN
<b>Benchmark Index</b>	: CRISIL Hybrid 35+65- Aggressive Index
<b>Plans Offered</b>	: Regular & Direct
<b>Options Offered</b>	: Growth & Dividend
<b>Entry Load</b>	: NIL
<b>Exit Load</b>	: NIL

## NAV as on November 30, 2018

<b>Regular - Growth</b>	: ₹10.0954
<b>Regular - Dividend</b>	: ₹10.0954
<b>Direct - Growth</b>	: ₹10.1654
<b>Direct - Dividend</b>	: ₹10.1654

## AUM as on November 30, 2018

<b>Net AUM</b>	: ₹ 464.92 crore
<b>Monthly Average</b>	: ₹ 457.75 crore
<b>AUM</b>	

## Total Expense Ratio

<b>Regular Plan</b>	: 2.37% p.a.
<b>Direct Plan</b>	: 1.14% p.a.

Total Expense Ratio is as on the last business day of the month.

## Volatility Measures# Fund Benchmark

<b>Std. Dev (Annualised)</b>	NA	NA
<b>Sharpe Ratio</b>	NA	NA
<b>Portfolio Beta</b>	NA	NA
<b>R Squared</b>	NA	NA
<b>Treynor</b>	NA	NA

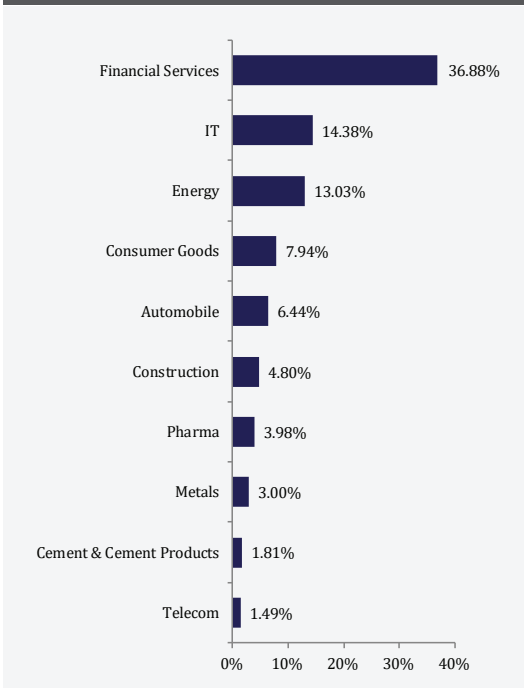
#Since the scheme has not completed 3 years volatility measures has not been provided.

## Portfolio as on November 30, 2018

Company Name	Industry	% to Net Assets
<b>Equity &amp; Equity Related Total</b>		
HDFC Bank Limited	Banks	9.69
Reliance Industries Limited	Petroleum Products	8.22
Infosys Limited	Software	6.29
Bajaj Finance Limited	Finance	6.18
Housing Development Finance Corporation Limited	Finance	5.74
Larsen & Toubro Limited	Construction Project	4.80
Kotak Mahindra Bank Limited	Banks	4.50
Asian Paints Limited	Consumer Non Durables	4.31
ICICI Bank Limited	Banks	4.26
Tata Consultancy Services Limited	Software	4.14
IndusInd Bank Limited	Banks	3.97
Tech Mahindra Limited	Software	3.95
Hindustan Unilever Limited	Consumer Non Durables	3.63
Sun Pharmaceutical Industries Limited	Pharmaceuticals	2.96
Mahindra & Mahindra Limited	Auto	2.56
Bajaj Finserv Limited	Finance	2.54
Maruti Suzuki India Limited	Auto	2.43
NTPC Limited	Power	1.92
Power Grid Corporation of India Limited	Power	1.89
Grasim Industries Limited	Cement	1.81
Hindalco Industries Limited	Non - Ferrous Metals	1.72
Bharti Airtel Limited	Telecom - Services	1.49
Tata Motors Limited	Auto	1.45
Vedanta Limited	Non - Ferrous Metals	1.28
Cipla Limited	Pharmaceuticals	1.02
Hindustan Petroleum Corporation Limited	Petroleum Products	1.00
<b>Derivatives</b>		
Nifty 50 Index 10800 Put June 2019 Option		2.10
Nifty 50 Index 10700 Put June 2019 Option		1.94
<b>Sub Total</b>		<b>97.79</b>
TREPS##		2.65
Net Receivables / (Payables)		-0.44
<b>Portfolio Total</b>		<b>100.00</b>

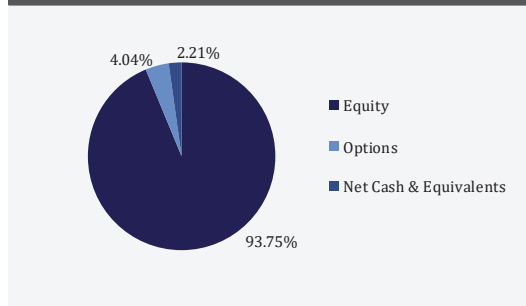
##With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.

## Sector Allocation^^

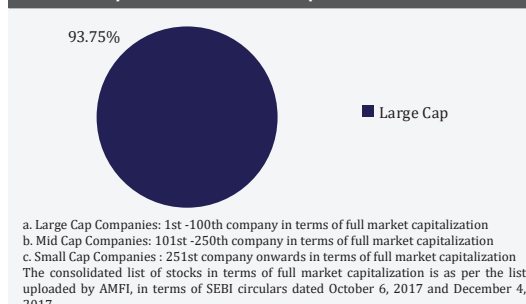


^^Sector allocation as per AMFI classification

## Asset Allocation^



## Market Capitalisation wise Exposure^



^As on November 30, 2018

## HEDGING- UPDATE

The Scheme has invested in the equity portfolio during a period where the Nifty 50 was trading at ~10750 levels.

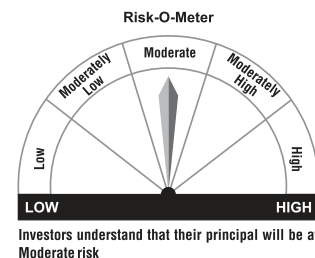
As long dated Nifty 50 puts can only be purchased at a strike price in the multiples of Rs. 100, the Scheme has partially purchased Nifty 50 Puts at 10700 and 10800 strike prices respectively.

Therefore, the annualised cost of buying the put is ~3.87%

## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Long Term Capital Growth
- Investments in equity and equity related securities with a Strategy of hedging by buying NIFTY 50 Put Option and other Equity derivatives.

\* Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



## Disclaimer

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## Investment Objective

The investment objective of the scheme is to generate income and long term gains by investing in a range of debt and money market instruments of various maturities. The scheme will seek to flexibly manage its investment across the maturity spectrum with a view to optimize the risk return proposition for the investors.

## Fund Manager Mr. Ankur Parekh

Mr. Ankur Parekh has over 16 years of work experience in the Fixed income securities market. His previous experience include working with SBI DFHI primary Dealership firm and DBS Cholamandalam AMC. Prior to joining IIFL AMC he was associated with Reliance Capital AMC as Fund Manager - EPFO for seven years. He is commerce graduate and has done his Masters in Business Administration from Bharthihar University, Tamilnadu. Mr Parekh has been managing the scheme since March 08, 2017.

## Fund Details

**Date of Allotment** : June 24, 2013  
**Bloomberg Code** : IIFDBDBIN  
**Benchmark Index** : CRISIL Composite Bond Fund Index  
**Plans Offered** : Regular & Direct  
**Options Offered** : Growth & Dividend

**Minimum Application Amount** :  
**New Purchase** : ₹10,000 and in multiples of ₹100 thereafter

**Additional Purchase** : ₹1,000 and in multiples of ₹100 thereafter

**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months

**Quarterly SIP Option** : ₹1,500 per quarter for a minimum period of 4 quarters

**Entry Load** : Nil  
**Exit Load** : 1% - if redeemed/switched out, on or before 18 months from the date of allotment and Nil - if redeemed/switched out after 18 months from the date of allotment. w.e.f October 10, 2017

**Dematerialization** : D-Mat Option Available  
**Asset Allocation** :

Debt Market Instruments : 0% to 100%  
 Money Market Instruments : 0% to 100%  
 Units issued by REITs & InvITs : 0% to 10%

## NAV as on November 30, 2018

**Regular Plan Growth** : ₹14.3141  
**Regular Plan Bonus** : ₹14.3141  
**Regular Quarterly Dividend** : ₹13.8130  
**Regular Half Yearly Dividend** : ₹13.8130  
**Regular Monthly Dividend** : ₹11.3549  
**Direct Plan Growth** : ₹14.7332  
**Direct Monthly Dividend** : ₹11.7354

\*Note: Bonus plan and Monthly & Half yearly Dividend payout options are discontinued no new investors can invest in the said option, existing investors remain invested in the said options.

## AUM as on November 30, 2018

**Net AUM** : ₹ 366.21 crore  
**Monthly Average AUM** : ₹ 374.63 crore

## Total Expense Ratio

**Regular Plan** : 1.33% p.a.  
**Direct Plan** : 0.68% p.a.

Total Expense Ratio is as on the last business day of the month.

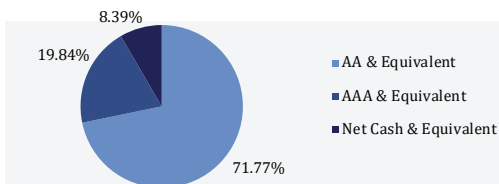
## Statistical Debt Indicators

**Modified Duration** : 1.75 years  
**Average Maturity** : 2.09 years  
**Yield to Maturity** : 9.32%

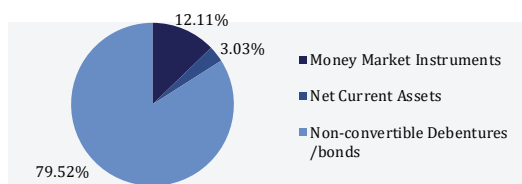
## Portfolio as on November 30, 2018

Name of the Instrument	Rating	% to Net Assets	Name of the Instrument	Rating	% to Net Assets
<b>Debt Instruments</b>					
<b>Non-Convertible Debentures/Bonds</b>			<b>84.86</b>		
9.55% Hindalco Industries Limited	CRISIL AA	6.90	9.57% Grand View Estates Private Limited	ICRA AA-(SO)	1.37
4.00% HPCL Mittal Energy Limited	ICRA AA	6.84	8.20% Housing Development Finance Corporation Limited	CRISIL AAA	1.34
8.50% Vedanta Limited	CRISIL AA	6.67	9.48% Bank of Baroda	CARE AA	1.17
8.75% Muthoot Finance Limited	CRISIL AA	6.57	8.48% U.P. Power Corporation Limited	FITCH AA(SO)	0.81
8.25% EID Parry India Limited	CRISIL AA-	6.39	8.48% U.P. Power Corporation Limited	FITCH AA(SO)	0.65
JM Financial Credit Solution Limited	ICRA AA	5.62	National Bank For Agriculture and Rural Development	CRISIL AAA	0.55
7.70% L & T Housing Finance	ICRA AAA	5.34	9.15% SP Jammu Udhampur Highway Limited	ICRA AAA(SO)	0.48
Aditya Birla Fashion and Retail Limited	CRISIL AA	4.78	12.00% ECL Finance Limited	CARE AA	0.28
10.25% Hansdeep Industries & Trading Company Limited	CARE AA-(SO)	4.09	9.90% Tata Motors Limited	ICRA AA	0.28
9.75% Edelweiss Housing Finance Limited	ICRA AA	3.86	9.45% State Bank of India	CRISIL AAA	0.01
9.15% Birla Corporation Limited	ICRA AA	3.14			
8.32% Power Grid Corporation of India Limited	CRISIL AAA	2.73	<b>Certificate of Deposit</b>		<b>6.75</b>
8.15% Energy Efficiency Services Limited	ICRA AA	2.68	IndusInd Bank Limited	CRISIL A1+	6.75
9.80% ECL Finance Limited	ICRA AA	2.68			
7.90% Piramal Enterprises Limited	ICRA AA	2.68	<b>TREPS<sup>###</sup> / Reverse Repo</b>		
7.63% PNB Housing Finance Limited	CARE AAA	2.64	TREPS <sup>###</sup>		5.36
8.75% Axis Bank Limited	CRISIL AA+	2.63	<b>Sub Total</b>		<b>96.97</b>
ECL Finance Limited	CARE AA	1.68	<b>Net Current Assets</b>		<b>3.03</b>
			<b>Portfolio Total</b>		<b>100.00</b>

## Composition by Rating<sup>^</sup>



## Instrument Wise Composition<sup>^</sup>



## Dividend Declared - Monthly Dividend Plan

Date	Gross Dividend (₹) (Per Unit)	Regular Plan NAV (₹) (Cum Dividend)	Direct Plan NAV (₹) (Cum Dividend)
27-Nov-18	0.05	11.3292	11.7083
29-Oct-18	0.05	11.2882	11.6586
24-Sep-18	0.05	11.2275	11.5870
<b>Quarterly Dividend Plan</b>			
04-Jun-15	0.40	11.4678	11.5708
<b>Half Yearly Dividend Plan</b>			
04-Jun-15	0.40	11.4678	

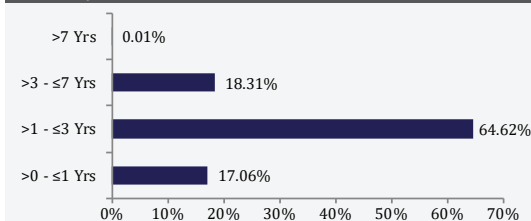
Dividend is gross dividend. To arrive at the net dividend payable for corporate and non-corporate investors applicable dividend distribution tax, if any, needs to be adjusted respectively. Past performance may or may not be sustained in future. After payment of dividend the NAV has fallen to the extent of payout and distribution taxes if applicable. Monthly Dividend is not assured and is subject to availability of distributable surplus.

## Scheme Performance

	30-Nov-17 to 30-Nov-18	PTP (₹)	30-Nov-15 to 30-Nov-18	PTP (₹)	30-Nov-13 to 30-Nov-18	PTP (₹)	Since Inception <sup>s</sup>	PTP (₹)
IIFL Dynamic Bond Fund - Reg - Growth	4.55%	10,455	6.74%	12,164	8.23%	14,857	6.82%	14,316
IIFL Dynamic Bond Fund - Dir - Growth	5.23%	10,523	7.33%	12,367	8.81%	15,260	7.39%	14,736
Benchmark*	3.77%	10,377	7.41%	12,394	8.99%	15,386	7.83%	15,068
Additional Benchmark**	2.52%	10,252	6.34%	12,027	7.88%	14,618	5.94%	13,686

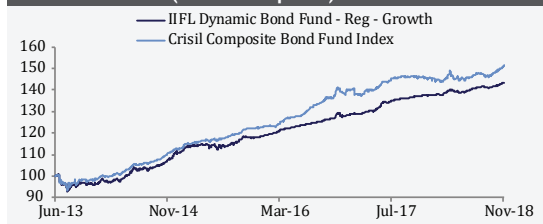
Past performance may or may not be sustained in future  
 Different plans shall have different expense structure  
 As on November 30, 2018; \*Crisil Composite Bond Fund Index; \*\*Crisil 10yr Gilt Index; Point to Point (PTP) returns in ₹ is based on standard investment of ₹ 10,000 made on the inception date; \$ Inception date 24-June-2013; Effective March 08 2017, Mr. Ankur Parekh has been appointed as Fund Manager of the scheme. The Scheme was managed till March 07, 2017 by Mr Ritesh Jain

## Maturity Profile<sup>^</sup>



<sup>^</sup>As on November 30, 2018

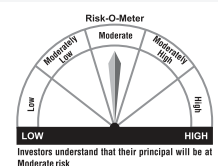
## NAV Movement (Since Inception) Rebased to 100



## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Income and long term gains
- Investment in a range of debt and money market instruments of various maturities
- Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

\*\*With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.



## Fund Commentary

- Bond yield softened as global events started turning favorable, ease in crude oil prices and strengthening of Indian rupee against the greenback have positively impacted the markets. Market sentiment improved after the Reserve Bank of India (RBI) announced purchase of bonds worth Rs. 40,000 crore in Dec 2018 via Open Market Operations (OMO) to support banking system liquidity. Domestic retail inflationary pressures have eased as retail inflation continues to remain below the 4% level for the third consecutive month in Oct 2018. The food and fuel inflation has been subdued below 4% but the core CPI inflation has remained above 6% which is stickier in nature. MPC in its Fifth Bi-monthly Monetary Policy Statement for FY19 scheduled Dec 3 to Dec 5, 2018, is likely to keep policy rates unchanged considering lower crude oil prices, appreciation in Indian rupee and easing consumer inflation. But excluding food and fuel inflation core inflation wanes out possibilities of RBI to signal rate softening or changing stance of 'calibrated tightening'. Yield on the 10-year benchmark bond (7.17% GS 2028) fell 24 bps to close at 7.61% from the previous month's close of 7.85% after moving within a wide range of 7.58% to 7.84%. This was the biggest fall in the last eight months.
- Going forward bond yields will take cues from easing global crude oil prices which are positive to weakening current account deficit and inflationary pressures in the economy. The Indian currency has recouped well from its earlier fall beyond 74 levels against the U.S. dollar. Globally trade war worries are receding as china is facing internal weakening growth prospects and Federal Reserve unnamed senior officials indicated about less prospects of their hardening rate cycle moving forward. Signs of cracks in OPEC members and divergent in views of Russia and Saudi has eased the crude prices which has benefited major oil importing countries like India. RBI is reassuring 'durable liquidity' in the banking system through OMOs. It is likely to benefit markets in dual ways, primary in terms of easy liquidity and secondly it will keep yields on softening bias due to additional supply absorption through OMOs in GOI securities. Market participants will also focus as to whether the government is able to adhere to the fiscal consolidation roadmap in the pre-election year with unachieved disinvestment targets and short fall in tax revenues.
- In this scenario of changing market conditions, we continue our view of positioning at the front-end of the curve with a defensive outlook as rate trajectory is likely to be volatile. The incremental positioning may be executed in certain pockets of yield curve if it offers value in terms of attractive spreads between low duration high carry bonds and overnight funding rates. The scheme aims to maintain relatively high running yields and moderate to low duration, to benefit out of the steep yield curve. However, any changes in the macro-economic environment is being continuously tracked for change of stance if the situation requires so.

## Disclaimer

The above commentary/opinions/in house views/strategy incorporated herein is provided solely to enhance the transparency about the investment strategy / theme of the Scheme and should not be treated as endorsement of the views / opinions or as an investment advice. The above commentary should not be construed as a research report or a recommendation to buy or sell any security. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. The above commentary has been prepared on the basis of information, which is already available in publicly accessible media or developed through analysis of IIFL Mutual Fund. The information/ views / opinions provided is for informative purpose only and may have ceased to be current by the time it may reach the recipient, which should be taken into account before interpreting this commentary. The recipient should note and understand that the information provided above may not contain all the material aspects relevant for making an investment decision and the stocks may or may not continue to form part of the scheme's portfolio in future. The decision of the Investment Manager may not always be profitable; as such decisions are based on the prevailing market conditions and the understanding of the Investment Manager. Actual market movements may vary from the anticipated trends. The statements made herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time. Neither IIFL Mutual Fund / IIFL Asset Management Ltd, its associates, directors or representatives shall be liable for any damages whether direct or indirect, incidental, punitive special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

## Investment Objective

To provide liquidity with reasonable returns commensurate with low risk through a portfolio of money market and debt securities with residual maturity of up to 91 days. However, there can be no assurance that the investment objective of the scheme will be achieved.

## Fund Manager Mr. Ankur Parekh

Mr. Ankur Parekh has over 16 years of work experience in the Fixed income securities market. His previous experience include working with SBI DFHI primary Dealership firm and DBS Cholamandalam AMC. Prior to joining IIFL AMC he was associated with Reliance Capital AMC as Fund Manager – EPFO for seven years. He is commerce graduate and has done his Masters in Business Administration from Bharthihar University, Tamilnadu. Mr Parekh has been managing the scheme since March 08, 2017.

## Fund Details

**Date of Allotment** : November 13, 2013  
**Benchmark Index** : CRISIL Liquid Fund Index  
**Plans Offered** : Regular & Direct  
**Options Offered** : Growth & Dividend  
**Minimum Application:**  
**New Purchase** : ₹5,000 and in multiples of ₹100 thereafter

**Additional Purchase** : ₹1,000 and in multiples of ₹100 thereafter

**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months

**Quarterly SIP Option** : ₹1,500 per quarter for a minimum period of 4 quarters

**Entry / Exit Load** : NIL

**Dematerialization** : D-Mat Option Available

## Asset Allocation :

Money market and debt instruments with residual maturity up to 91 days

## NAV as on November 30, 2018

**Regular Plan Growth** : ₹1428.1933  
**Regular Plan Weekly** : ₹1005.4936  
**Dividend**  
**Regular Plan Daily** : ₹1000.0769  
**Dividend**  
**Direct Plan Growth** : ₹1431.8115  
**Direct Plan Dividend** : ₹1000.0427

## AUM as on November 30, 2018

**Net AUM** : ₹ 597.91 crore  
**Monthly Average AUM** : ₹ 182.09 crore

## Total Expense Ratio

**Regular Plan** : 0.25% p.a.  
**Direct Plan** : 0.20% p.a.

Total Expense Ratio is as on the last business day of the month.

## Statistical Debt Indicators

**Modified Duration** : 9 days  
**Average Maturity** : 9 days  
**Yield to Maturity** : 6.38%

## Portfolio as on November 30, 2018

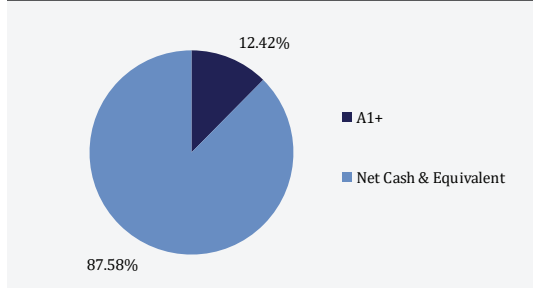
Name of the Instrument	Rating	% to Net Assets	Name of the Instrument	Rating	% to Net Assets
<b>Money Market Instruments</b>			<b>Sub Total</b>		
<b>Certificate of Deposit</b>			<b>TREPS** / Reverse Repo</b>		
Axis Bank Limited	CRISIL A1+	4.14%	TREPS**		86.81%
IndusInd Bank Limited	CRISIL A1+	4.13%	<b>Sub Total</b>		<b>86.81%</b>
<b>Sub Total</b>		<b>8.27%</b>	<b>Net Receivables / (Payables)</b>		<b>0.77%</b>
<b>Commercial Paper</b>			<b>Portfolio Total</b>		
National Bank For Agriculture and Rural Development	ICRA A1+	4.15%			<b>100.00%</b>

## Scheme Performance

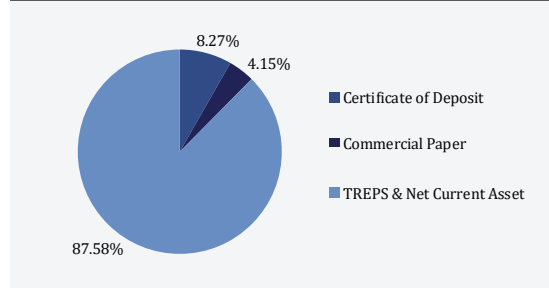
	30-Nov-17 to 30-Nov-18	PTP (₹)	30-Nov-15 to 30-Nov-18	PTP (₹)	30-Nov-13 to 30-Nov-18	PTP (₹)	Since Inception <sup>5</sup>	PTP (₹)
IIFL Liquid Fund - Reg - Growth	6.78%	10,678	6.75%	12,167	7.30%	14,229	7.31%	14,279
IIFL Liquid Fund - Dir - Growth	6.83%	10,683	6.80%	12,184	7.35%	14,262	7.37%	14,320
Benchmark*	7.45%	10,745	7.23%	12,332	7.85%	14,598	7.87%	14,660
Additional Benchmark**	6.86%	10,686	6.74%	12,022	7.51%	13,755	7.53%	13,802

Past performance may or may not be sustained in future. Different plans shall have different expense structure. As on November 30, 2018; \*Crisil Liquid Fund Index; \*\* Crisil 91 Day T-Bill Index; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000 made on the Inception date 13-Nov-2013; Effective March 08 2017, Mr. Ankur Parekh has been appointed as Fund Manager of the scheme. The Scheme was managed till March 07, 2017 by Mr Ritesh Jain.

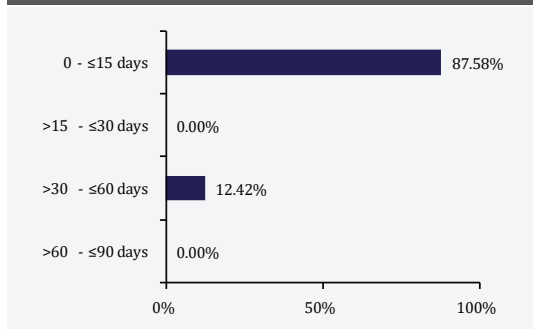
## Composition by Rating<sup>^</sup>



## Instrument Wise Composition<sup>^</sup>

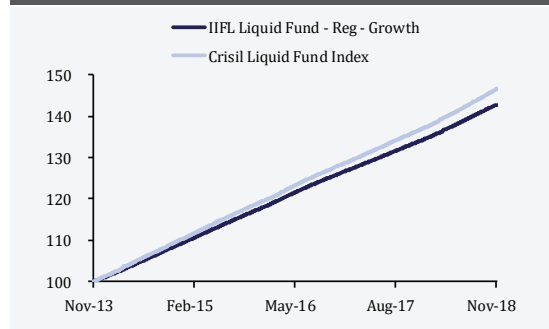


## Maturity Profile<sup>^</sup>



<sup>^</sup>As on November 30, 2018

## NAV Movement (Since Inception) Rebased to 100

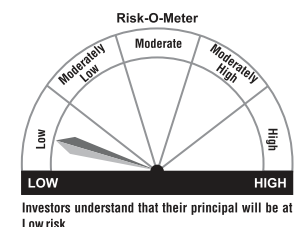


## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Income over short term horizon
- Investments in money market and short term debt instruments, with maturity not exceeding 91 days

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

\*\*With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.



## GLOSSARY OF TERMS

<b>FUND MANAGER</b>	An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.
<b>APPLICATION AMOUNT FOR FRESH SUBSCRIPTION</b>	This is the minimum investment amount for a new investor in a mutual fund scheme.
<b>MINIMUM ADDITIONAL AMOUNT</b>	This is the minimum investment amount for an existing investor in a mutual fund scheme.
<b>YIELD TO MATURITY</b>	The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.
<b>SIP</b>	SIP or systematic investment plan works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for an SIP that invests ₹ 500 every 15th of the month in an equity fund for a period of three years.
<b>NAV</b>	The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund.
<b>BENCHMARK</b>	A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmarks include the Nifty, Sensex, BSE200, BSE500, 10-Year Gsec.
<b>ENTRY LOAD</b>	A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchases the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is ₹ 100 and the entry load is 1 %, the investor will enter the fund at ₹ 101.
<b>EXIT LOAD</b>	Exit load is charged at the time an investor redeems the units of a mutual fund. The exit load is deducted from the prevailing NAV at the time of redemption. For instance, if the NAV is ₹ 100 and the exit load is 1%, the redemption price would be ₹99 per unit.
<b>MODIFIED DURATION</b>	Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.
<b>STANDARD DEVIATION</b>	Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.
<b>SHARPE RATIO</b>	The Sharpe Ratio, named after its founder, the Nobel Laureate William Sharpe, is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.
<b>BETA</b>	Beta is a measure of an investment's volatility vis-a-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.
<b>AUM</b>	AUM or assets under management refers to the recent I updated cumulative market value of investments managed by a mutual fund or any investment firm.
<b>HOLDINGS</b>	The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.
<b>NATURE OF SCHEME</b>	The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.
<b>RATING PROFILE</b>	Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.

Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.