

MONTHLY FACTSHEET

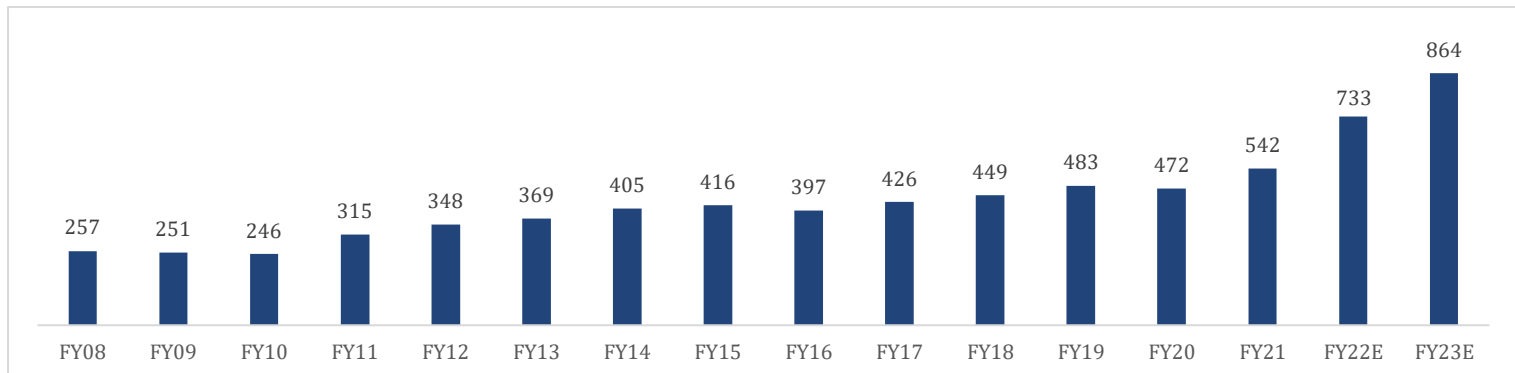
September 2022



Macro Economy & Event Update

| Macro-Economic Indicators | Aug-22 | Jul-22 | Jun-22 | May-22 | Apr-22 | Mar-22 |
|--|--------|--------|--------|--------|--------|--------|
| Consumption | | | | | | |
| Two-wheeler sales (%YoY) | | 10.2 | 24.0 | 255.3 | 15.4 | -20.9 |
| Passenger car sales (%YoY) | | 8.6 | 8.4 | 164.5 | -14.2 | -2.4 |
| Credit Card Outstanding (% YoY) | | 28.3 | 30.7 | 30.1 | 20.1 | 12.6 |
| Nominal Rural wages (% YoY) | | | 5.7 | 5.5 | 5.5 | 5.0 |
| Industrial Sector | | | | | | |
| Industrial Output (%YoY) | | | 12.3 | 19.6 | 6.7 | 2.2 |
| Manufacturing PMI | 56.2 | 56.4 | 53.9 | 54.6 | 54.7 | 54.0 |
| Railway freight Container Service (%YoY) | 10.4 | 9.4 | 5.2 | 9.6 | 11.4 | 6.8 |
| Energy Consumption (YoY) | 0.6 | 2.3 | 16.2 | 23.2 | 11.5 | 5.9 |
| Aviation Cargo (% YoY) | | 6.1 | 13.9 | 13.8 | 2.3 | 0.3 |
| Inflation | | | | | | |
| CPI (%YoY) | | 6.7 | 7.0 | 7.0 | 7.8 | 7.0 |
| WPI (%YoY) | | 13.9 | 15.2 | 16.6 | 15.4 | 14.6 |
| Deficit | | | | | | |
| Fiscal deficit (% of full year target) | | 21.4 | 22.1 | 12.8 | 4.7 | 99.7 |
| Trade Balance (\$ bn) | -28.7 | -30.0 | -26.2 | -24.2 | -20.4 | -18.5 |
| Services | | | | | | |
| Air passenger traffic: Domestic (% YoY) | | 98.2 | 247.2 | 463.0 | 86.8 | 36.4 |
| GST collections (Rs. Bn) | 1436 | 1490 | 1446 | 1409 | 1675 | 1421 |
| E-way Bill (Mn) | 78.2 | 75.6 | 74.5 | 73.6 | 75.2 | 78.2 |
| Direct tax collection (% YoY) | | 72.6 | 11.3 | 51.5 | 65.9 | 35.0 |
| Money & Banking | | | | | | |
| Credit Growth (%YoY) | | 14.5 | 11.9 | 11.4 | 10.0 | 8.6 |
| Industry Credit (%YoY) | | 10.5 | 9.5 | 8.8 | 8.0 | 7.5 |
| Deposits (%YoY) | | 9.2 | 8.5 | 8.8 | 10.0 | 8.9 |
| Currency in circulation (%YoY) | | 8.1 | 8.0 | 8.8 | 10.4 | 9.8 |
| Forex reserves (\$bn) | | 572 | 589 | 603 | 597 | 607 |
| INR/USD (month end) | 79.5 | 79.3 | 78.9 | 77.6 | 76.4 | 75.8 |
| 10Y G-Sec yield (%) | 7.2 | 7.3 | 7.4 | 7.4 | 7.2 | 6.8 |
| Flows | | | | | | |
| Net FPI flows: Equity (\$bn) | 6.4 | 0.6 | -6.4 | -5.2 | -2.2 | -5.4 |
| Net FPI flows: Debt (\$bn) | 0.5 | -0.3 | -0.2 | -0.7 | -0.6 | -0.7 |
| DII (\$bn) | -0.9 | 1.3 | 6.0 | 6.5 | 3.9 | 5.2 |

Nifty EPS



Source: Bloomberg, RBI, Motilal Oswal for EPS, Spark Capital.

Equity Market

Indian equity markets continued to trend up for the second consecutive month and outperformed its global peers on YTD basis. FPI net flows continued to be positive for the second month in a row (stood at \$6.4 bn) and were highest since February'21. DIIs turned net sellers (\$0.9 bn) after 17 months of buying. Despite the hawkish comments by Fed in the Jackson Hole, the sentiment remained upbeat as market participants continued to focus on domestic opportunities. The key benchmark indices S&P BSE Sensex and Nifty closed the month with 3.4% and 3.5% gains respectively. The indices down the capitalization curve outperformed the key benchmark indices. S&P BSE Mid-cap index and S&P BSE Small cap index registered monthly gains of 5.6% & 5.9% respectively. Amongst the sectoral indices, S&P BSE Power, Industrials, and Consumer Durables were amongst the top gainers with monthly gains of 14.7%, 8.9% and 7.9% respectively.

Amongst the key developments during the month, —(1) the RBI raised the repo rate by 50 bps to 5.4%; (2) the US Fed signaled further rate increases, with a focus on bringing down inflation; (3) a number of central banks raised interest rates; (4) Indian 5G spectrum auctions concluded with a total spectrum of 51,236 MHz being auctioned for Rs1.5 tn (5) India's Warren Buffet, Mr. Rakesh Jhunjhunwala passed away (6) India surpassed UK to emerge as the fifth largest economy in the world.

The manufacturing activity remained robust in August'22 on the back of strong growth in output and new orders. The S&P Global India Manufacturing PMI came in at 56.2 for August'22 (14th straight month of growth) as against 56.4 for July'22. Easing of cost price pressures during the month benefitted production. Furthermore, softer pressures from commodity prices led to input cost inflation slipping to the lowest in a year. Factory gate charges rose at the second-weakest pace since the start of this fiscal year. However, the passing of higher labour, freight, and material prices to clients, kept the pace of increase in output prices at nearly the same level as in July'22.

Meanwhile, the gross GST revenue collected in August'22 was up 28%YoY and stood at ₹1.44 trillion. This is the sixth month in a row that the total GST collections have crossed ₹1.4 trillion mark. The finance ministry in its release mentioned that the growth in GST revenue in the current financial year till August'22 is 33% higher over the same period last year and displays a high buoyancy. This is a clear impact of various measures taken by the GST Council in the past to ensure better compliance.

Global commentary has turned more cautious

With US economy being one of the strongest economies right now and the Fed policy action being one of the key variables to watch out for, the attention has also shifted to US Corporate. The numbers for quarter ending June'22 have been decent. As per Reuters, for the 487 S&P 500 members that have reported the Q2 results already, total earnings are up +6.9% on +14.3% higher revenues. However, the corporate commentary has turned cautious on demand and material prices have seen corrections.

Centre's fiscal position remains on the edge

The centre's fiscal deficit in FYTD23 has been controlled, with a surplus in July'22. This has been led by expenditure being kept in check and income tax & GST collections providing the due support on the revenue side. However, with uncertainties arising as a result of evolution of export duty/windfall tax as well as on expenditure rationalization, the centre's fiscal position is likely to remain on the edge.

GDP growth for 1QFY23 surprises on downside

1QFY23 real GDP grew by 13.5%, led by private consumption growth of 25.9% (4QFY22: 1.8%) and investment growth of 20.1% (4QFY22: 5.1%). Government consumption, expectedly, grew at a slower pace of 1.3% (4QFY22: 4.8%). On a qoq basis, real GDP growth contracted sharply by 9.6% (directionally in line with the seasonal trend), primarily on account of government consumption decreasing by 10.4% and investments (GFCF) contracting by 6.8%. Nominal GDP in 1QFY23 grew by 26.7% on the back of high inflation (primarily WPI). Compared to their pre-pandemic levels (1QFY20), real GDP growth and real GVA growth in 1QFY23 were quite weak at only 3.8% and 4.7%, respectively.

Outlook

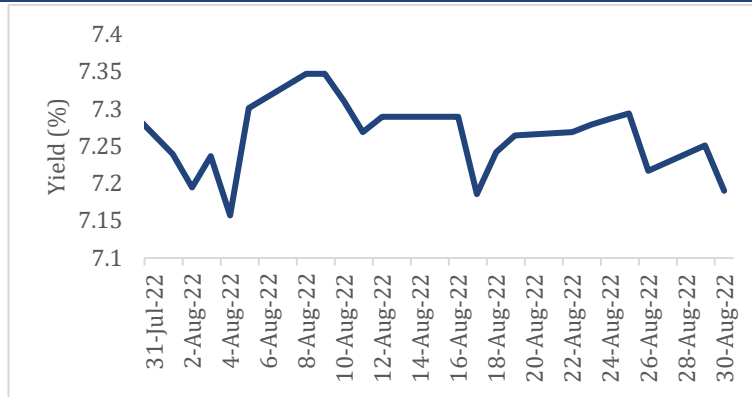
Although the global market sentiment has improved over the last month, we remain concerned regarding the underlying fundamentals of the global economy. We believe that rapidly tightening monetary policy, high inflation, and slowdown in real GDP growth could have bearing on the economic performance. With recessionary pressures building up, a higher than projected downturn in the euro area, softening in US consumer spending, and a letdown on the part of Chinese authorities to provide a sufficient stimulus are some of the factors which are likely to magnify the downside risk. Also, the magnitude and duration of the recessionary pressures will be a key monitorable. However, in the near term the demand conditions at home are likely to remain steady aided by continued pick-up in the manufacturing as well as services sector.

Even though the markets are currently trading slightly above the long-term valuations, we believe that continued support from FPIs may keep the market buoyant. Continued MF investments by way of SIPs have brought the requisite stability being a counterweight to the FPI activity (at the time when FPIs were net sellers). Further, medium to long term growth prospects for India continue to remain encouraging led by pick up in private sector capex, government's resolve on infrastructure spending, opportunities arising from shift of global supply chains, and a rebound in housing cycle. Further, low corporate and housing leverage coupled with strong banking sector are likely to augur well for economic growth in the medium to long term.

While we remain positive on the economic cycle over the medium term, we expect the market to remain range-bound until clarity emerges on global macro. Past data has shown that range-bound markets have created a break in broader sector themes. However, there have also been phases where specific sectors have seen multi-year scale up with consistent returns. Over the past decade, consumer theme stood out clearly, however, the next theme is yet to emerge, and investors are exploring various emerging areas viz. manufacturing, digital, EVs etc. While sector rotation may play out in the long-term, we believe that identifying companies having sound managements and potential for long-term earnings growth would be the key for long-term performance.

Debt Market

10 Year Benchmark Bond Movement



Spread Movement

| Spreads | Maturity Period | AAA | AA | A |
|-----------|-----------------|-----|-----|-----|
| 30-Aug-22 | 1 Yr | 48 | 118 | 328 |
| | 3 Yr | 38 | 107 | 299 |
| | 5 Yr | 46 | 114 | 295 |
| | 10 Yr | 36 | 109 | 297 |
| 29-Jul-22 | 1 Yr | -1 | 76 | 290 |
| | 3 Yr | 43 | 108 | 307 |
| | 5 Yr | 35 | 101 | 297 |
| | 10 Yr | 36 | 108 | 299 |

Indian bond market added legs to July relief rally in bond prices on back of softer commodity prices, global bond yields and renewed hopes of inclusion in global bond indices. Indian 10-year benchmark closed at 7.19% easing 13 bps for the month while the five-year gained by 12 bps with corporate bonds mirroring the same.

Market sentiments remained cautiously bullish throughout the month with buying emerging at different sweet spots in the yield curve by institutional investors and a small come-back by FPI's with inflows of 6842 crore. Money market rates stabilised and traded in a band of 5-10 bps with increased government spending and higher tax collections after rising 15-20 bps (3 months@5.59% and 1yr@6.30%) higher due to T-bill primary auction cut-offs. Spreads remained in the tight band of 5-7 bps with limited corporate bond supply and G-sec primary auction finding good demand. With liquidity getting tighter, the credit spread has increased for A/BBB-rated bonds versus AAA-rated bonds but only in less than 1-year tenure, and is lower for higher tenures.

Headline CPI inflation in July moderated to 6.71% (June: 7.01%, Consensus: 6.76%) led by a sequential moderation of 0.1% in food inflation (June: 1% mom). Sequentially, the moderation in food prices was led by decline in prices of meat and fish, and oils and fats. Core inflation (CPI excluding food, fuel, pan and tobacco) remained broadly sticky at 6.25% (June: 6.27%), with a sequential pickup of 0.7% (June: 0.1% mom). We expect inflation to remain elevated with a return to the sub-6% level not likely before February 2023. We maintain our FY2023E average CPI inflation estimate at 6.5%. India's GDP grew 13.5% in Q1FY23, favourable base played its role but growth missed expectations. Pick-up in private consumption and investments supported growth while public spending lagged, domestic demand remained strong (private consumption growth at 26% yoy and fixed investment growth at 20% yoy). Opening of economy led to robust growth in services sector, even growth in agriculture exceeded expectations. Manufacturing failed to boost the economy; we maintain our growth estimate of 7.5%.

Gross systemic credit (loan+CP+NCD+ECB) was at 12.8%YoY as of 12 Aug 2022, while bank credit growth was slightly better at 14.2%YoY, which suggests borrowers are shifting away from CP/bonds to bank loans. Services and Industry credit led the credit growth in July'22 while Home loan growth has improved to 16.2%YoY. The NBFI exposure of debt mutual funds is reducing (July 2022: INR1.1 trillion, June 2022: 1.4 trillion) incrementally towards banks as whole-sale rates inch higher faster than anticipated. Deposit growth saw marginal downtick of 31 bps on fortnight basis and stood at 8.84% (12th Aug'22) vs. 9.15% (29th July'22), as CD ratio improved to 73.34%. This indicates growth momentum in the economy again supporting fiscal picture.

Center's fiscal deficit in FYTD23 has been controlled, with a slight surplus in July. However, much of it has been achieved with expenditure being kept in check. Income tax and GST collections have been key support for the revenue side. Robust gross tax revenue (Rs. 2.2tn) gives an indication that the government's annual targets are conservative. We continue to see the fiscal remaining under pressure with FY2023E GFD/GDP staying within 6.4-6.8%. For now, we pencil in GFD/GDP at 6.6% assuming no cuts in expenditure and no changes to duties on petroleum products. Trade deficit slightly narrowed in August to USD 28.7bn from USD 30bn in July (Apr-Aug trade deficit at USD 125.2bn) due to a fall in oil imports. Exports fell sequentially by 9% MoM and oil imports fell by 16.7% MoM, on a YoY basis, non-oil-non-gold imports increased by 40.4% with broad-based increase seen in all categories, we maintain our FY2023E CAD/GDP estimate at 3.4% assuming average crude oil price of US\$105/bbl.

On rainfall, India reported above normal rainfall at 106% of LPA till 28 August 2022 compared to 10% below normal during the corresponding period last year. While the current all-India reservoir storage (83% of live capacity as on Sep 1, 2022) stood much higher than the year-ago and historical levels. For all the kharif crops, the acreage, as on September 2, was around 106.92mha - just 1.27% lower than last year, overall supportive for softer inflation prints ahead.

Global central banks continued with their monetary policy tightening with the Bank of England (BOE), Reserve Bank of Australia, and the Central Bank of Brazil hiking by 50 bps each to tackle elevated inflation levels. Bank Indonesia surprised markets with a 25bps increase to 3.75%, Bank of Korea, in line with expectations, hiked its policy rate by 25 bps taking it to 2.5%. The expected slowdown in DM economies is having spill over effects on EM economies along with dollar index strengthening.

US Fed Chair Powell was very hawkish, talked tough, reiterating the message that bringing down inflation will translate into economic pain. The 10yr UST yield surged back by 51bps from the intra month's low to cross 3.06%. We expect the Fed to subtly pivot to a less hawkish 50 basis point hike in September. Market rates could go higher as financial conditions are not tight enough in the US; the US 10yr yield can even go as far as topping 3.5% again. That will pull rates higher elsewhere, including those in the eurozone. Brent prices also had volatile month ranging between \$90-104/bbl levels amidst supply crunch concerns emanating from Libya and delays in the Iran talks, China slowdown, Russia -Europe gas deals and recession fears.

Outlook

Despite the global spill over effects, India domestic economy remains resilient as can be seen in high forex reserves, central governments comfortable fiscal situation, uptick in credit cycle coinciding with banks reporting low NPAs and de-leveraged corporates. We believe any uncertainty would call for continued co-ordinated efforts between the fiscal and monetary policy to manoeuvre through the uncertain environment. Bond prices indicates, the need for aggressive rate hikes has reduced amid global disinflationary pressures and pass-through impact of monetary tightening to demand side pressures. Accordingly, we maintain our call for further 35-60 bps of repo rate hikes to 5.75-6% by end-FY2022. We continue to believe levels close to 7.10%-7.30% in the 3-4-year part of the yield curve offers good relative value vis-à-vis other points on the curve, for investors who are looking at a medium-term investment horizon. We expect the 10-year yield (6.54% GS 2032) to trade in the range of 7.20-7.40% in the near term.

IIFL FOCUSED EQUITY 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. Mayur Patel**

Mr. Mayur Patel has 16 years of work experience including investment management and research experience of more than 10 years. Prior to joining IIFL, he managed equity portfolios of DSP BlackRock Equity Savings Fund and MIP Fund at DSP BlackRock Investment Managers (a joint venture between BlackRock and the DSP Group in India). Mr. Patel joined DSP BlackRock in 2013 as an Equity Analyst responsible for origination and dissemination of ideas across energy, industrials and utilities sectors. Earlier he was associated with Spark Capital as Lead Analyst, Energy in their Institutional Equities division and has also worked with Tata Motors and CRISIL. He is a Chartered Accountant and a CFA charter holder.

Fund Details

| | |
|--|--|
| Date of Allotment | : October 30, 2014 |
| Bloomberg Code | : IIFGRRG IN |
| Benchmark Index | : S&P BSE 500 TRI |
| Plans Offered | : Regular & Direct |
| Options Offered | : Growth & IDCW |
| Minimum Application | : |
| New Purchase | : ₹1,000 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 | : ₹1,000 per quarter for a minimum period of 6 quarters |
| Entry Load | : NIL |
| Exit Load | : 1% - if redeemed/switched out, on or before 12 months from the date of allotment w.e.f April 02, 2019. |
| Dematerialization | : D-Mat Option Available |
| Portfolio Turnover Ratio (based on 1 year monthly data) | : 0.24 times |

NAV as on August 31, 2022

| | |
|-------------------------|-------------|
| Regular - Growth | : ₹ 29.7372 |
| Regular - IDCW | : ₹ 26.3102 |
| Direct - Growth | : ₹ 32.7649 |
| Direct - IDCW | : ₹ 32.4308 |

AUM as on August 31, 2022

| | |
|----------------------------|-------------------|
| Net AUM | : ₹ 3268.83 crore |
| Monthly Average AUM | : ₹ 3201.12 crore |

Total Expense Ratio

| | |
|---------------------|--------------|
| Regular Plan | : 1.94% p.a. |
| Direct Plan | : 0.90% p.a. |

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

Volatility Measures

| | Fund | Benchmark |
|------------------------------|--------|-----------|
| Std. Dev (Annualised) | 23.99% | 24.22% |
| Sharpe Ratio | 0.24 | 0.22 |
| Portfolio Beta | 0.97 | 1.00 |
| R Squared | 0.88 | NA |
| Treynor | 1.79 | 1.66 |

Portfolio as on August 31, 2022

| Company Name | Sector | SCDV | % to Net Assets |
|---|--------------------------------|------|-----------------|
| Equity & Equity Related Total | | | |
| ICICI Bank Limited | Financial Services | C | 8.72 |
| HDFC Bank Limited | Financial Services | S | 7.28 |
| Infosys Limited | Information Technology | D | 6.35 |
| Larsen & Toubro Limited | Construction | C | 4.61 |
| Bharti Airtel Limited | Telecommunication | V | 4.49 |
| State Bank of India | Financial Services | V | 4.23 |
| Axis Bank Limited | Financial Services | C | 3.88 |
| Tata Motors Limited | Automobile and Auto Components | V | 3.22 |
| Bajaj Finance Limited | Financial Services | S | 3.17 |
| SRF Limited | Chemicals | S | 3.11 |
| Crompton Greaves Consumer Electricals Limited | Consumer Durables | S | 3.09 |
| Bajaj Auto Limited | Automobile and Auto Components | D | 3.04 |
| CCL Products (India) Limited | Fast Moving Consumer Goods | D | 3.02 |
| Dr. Reddy's Laboratories Limited | Healthcare | V | 2.83 |
| NTPC Limited | Power | V | 2.81 |
| Coal India Limited | Oil, Gas & Consumable Fuels | D | 2.71 |
| Apollo Tricoat Tubes Limited | Capital Goods | D | 2.56 |
| Larsen & Toubro Infotech Limited | Information Technology | S | 2.44 |
| Cyient Limited | Information Technology | S | 2.30 |
| Motherson Sumi Wiring India Limited | Automobile and Auto Components | S | 2.26 |
| Data Patterns (India) Limited | Capital Goods | V | 2.25 |
| Bharat Petroleum Corporation Limited | Oil, Gas & Consumable Fuels | D | 2.16 |
| Bank of Baroda | Financial Services | V | 2.00 |
| Aavas Financiers Limited | Financial Services | S | 1.79 |
| Reliance Industries Limited | Oil, Gas & Consumable Fuels | V | 1.71 |
| Cummins India Limited | Capital Goods | D | 1.70 |
| Divi's Laboratories Limited | Healthcare | D | 1.69 |
| Muthoot Finance Limited | Financial Services | S | 1.62 |
| Sansera Engineering Limited | Automobile and Auto Components | C | 1.22 |
| Max Healthcare Institute Limited | Healthcare | V | 1.04 |
| Bharti Airtel Limited | Telecommunication | V | 0.11 |
| Sub Total | | | 93.42 |
| TREPS## | | | 6.74 |
| Net Receivables / (Payables) | | | -0.16 |
| Portfolio Total | | | 100 |

Scheme Performance

| Scheme / Benchmark | 31-Aug-21 to 31-Aug-22 | PTP (₹) | 31-Aug-19 to 31-Aug-22 | PTP (₹) | 31-Aug-17 to 31-Aug-22 | PTP (₹) | Since Inception | PTP (₹) |
|---|------------------------|---------|------------------------|---------|------------------------|---------|-----------------|---------|
| IIFL Focused Equity Fund - Reg - Growth | 1.66% | 10,166 | 23.26% | 18,739 | 15.22% | 20,304 | 14.92% | 29,737 |
| IIFL Focused Equity Fund - Dir - Growth | 2.76% | 10,276 | 24.77% | 19,434 | 16.76% | 21,704 | 16.35% | 32,765 |
| Benchmark* | 6.99% | 10,699 | 21.24% | 17,832 | 13.59% | 18,907 | 12.92% | 25,911 |
| Additional Benchmark** | 4.80% | 10,480 | 18.16% | 16,504 | 14.75% | 19,899 | 11.84% | 24,041 |

Past performance may or may not be sustained in future. Different plans shall have different expense structure. Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000; Since inception date is 30 October 2014; *S&P BSE 500 TRI; **S&P BSE Sensex TRI; Managed by the fund manager since 11 November 2019. The performance of the scheme is benchmarked to the Total Return variant of the Index.

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

| Scheme / Benchmark | 31-Aug-21 to 31-Aug-22 | 31-Aug-19 to 31-Aug-22 | 31-Aug-17 to 31-Aug-22 | Since Inception |
|--|------------------------|------------------------|------------------------|-----------------|
| Total Amount Invested (₹) | 1,20,000 | 3,60,000 | 6,00,000 | 9,30,000 |
| Total Value as on August 31, 2022(₹) | 1,22,646 | 4,97,731 | 9,74,834 | 18,29,310 |
| Returns | 4.11% | 22.22% | 19.50% | 17.02% |
| Total Value of Benchmark: S&P BSE 500 TRI (₹) | 1,26,823 | 5,09,575 | 9,30,686 | 17,08,877 |
| Benchmark: S&P BSE 500 TRI | 10.69% | 23.93% | 17.60% | 15.31% |
| Total Value of Benchmark: S&P BSE Sensex TRI (₹) | 1,25,482 | 4,85,482 | 9,06,651 | 16,77,535 |
| Additional Benchmark: S&P BSE Sensex TRI | 8.56% | 20.43% | 16.53% | 14.85% |

(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 11, 2019. 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 IDCW Plan | 15 February 2017 | 10 | 12.7777 | 1.50 |
| Direct IDCW Plan | 15 February 2017 | 10 | 13.0738 | 0.17 |

Dividend is gross dividend. 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. Dividend is not assured and is subject to availability of distributable surplus.

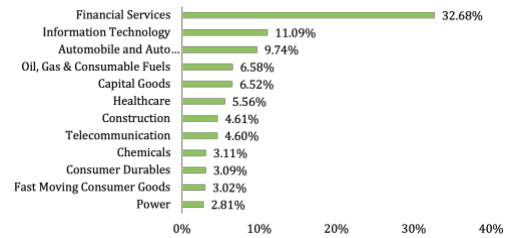
THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*

- 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.

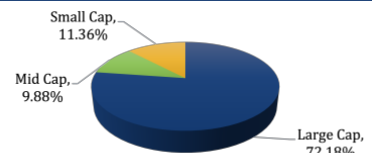
##With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.

Sector Allocation**



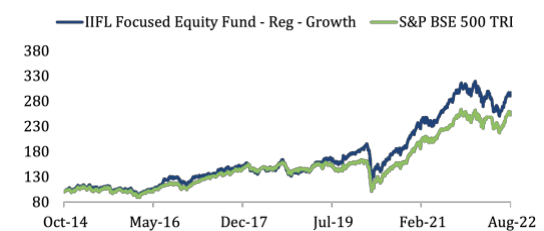
**Sector allocation as per AMFI classification

Market Capitalisation wise Exposure*

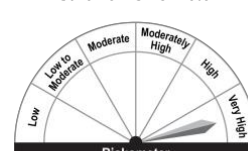


- Large Cap Companies: 1st -100th company in terms of full market capitalization
 - Mid Cap Companies: 101st -250th company in terms of full market capitalization
 - Small Cap Companies : 251st company onwards in terms of full market capitalization
- The consolidated list of stocks in terms of full market capitalization is as per the list uploaded by AMFI, in forms of SEBI circulars dated October 6, 2017 and December 4, 2017. As of August 31, 2022

NAV Movement (Since Inception) Rebased to 100

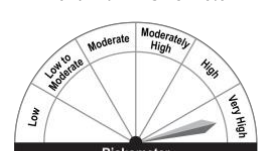


Scheme Risk-O-Meter



Investors understand that their principal will be at Very High Risk

Benchmark Risk-O-Meter



Investors understand that their principal will be at Very High Risk

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 based on a quant theme. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

Fund Manager **Mr. Parijat Garg**

Mr. Parijat has over 15 years of experience in the financial services industry including algorithmic trading, stock broking and financial data services. Prior to joining IIFL Asset Management Limited, he was associated with Quadeye Securities LLP as a portfolio manager an prior to that, he has worked with Tower Research Capital (India) as a quant analyst.

Mr. Garg is a computer science engineer from IIT Bombay and a CFA charter holder.

Fund Details

| | |
|-----------------------------|--|
| Date of Allotment | : November 29, 2021 |
| Bloomberg Code | : - |
| Benchmark Index | : S&P BSE 200 TRI |
| Plans Offered | : Regular & Direct |
| Options Offered | : Growth & IDCW |
| Minimum Application | : |
| New Purchase | : ₹1,000 and in multiples of ₹1 thereafter |
| Additional Purchase | : ₹1,000 and in multiples of ₹1 thereafter |
| Monthly SIP Option | : ₹1,000 per month for a minimum period of 6 months |
| Quarterly SIP Option | : ₹1,000 per quarter for a minimum period of 6 quarters |
| Entry Load | : NIL |
| Exit Load | : 1% - if redeemed/switched out, on or before 12 months from the date of allotment |
| Dematerialization | : D-Mat Option Available |

NAV as on August 31, 2022

| | |
|-------------------------|-------------|
| Regular - Growth | : ₹ 10.4132 |
| Regular - IDCW | : ₹ 10.4132 |
| Direct - Growth | : ₹ 10.5038 |
| Direct - IDCW | : ₹ 10.5038 |

AUM as on August 31, 2022

| | |
|----------------------------|------------------|
| Net AUM | : ₹ 103.16 crore |
| Monthly Average AUM | : ₹ 102.1 crore |

Total Expense Ratio

| | |
|---------------------|--------------|
| Regular Plan | : 1.58% p.a. |
| Direct Plan | : 0.43% p.a. |

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

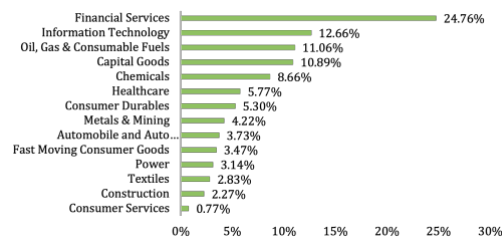
Volatility Measures

| | Fund | Benchmark |
|------------------------------|------|-----------|
| Std. Dev (Annualised) | NA | NA |
| Sharpe Ratio | NA | NA |
| Portfolio Beta | NA | NA |
| R Squared | NA | NA |
| Treynor | NA | NA |

Portfolio as on August 31, 2022

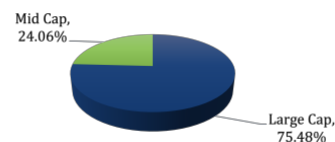
| Company Name | Sector | % to Net Assets |
|--|--------------------------------|-----------------|
| Equity & Equity Related Total | | |
| Adani Total Gas Limited | Oil, Gas & Consumable Fuels | 4.29 |
| TVS Motor Company Limited | Automobile and Auto Components | 4.22 |
| Hindustan Aeronautics Limited | Capital Goods | 4.04 |
| Bharat Electronics Limited | Capital Goods | 3.61 |
| Coal India Limited | Oil, Gas & Consumable Fuels | 3.60 |
| ITC Limited | Fast Moving Consumer Goods | 3.47 |
| SBI Life Insurance Company Limited | Financial Services | 3.37 |
| Cummins India Limited | Capital Goods | 3.25 |
| Bajaj Finserv Limited | Financial Services | 3.19 |
| IndusInd Bank Limited | Financial Services | 3.18 |
| Pidilite Industries Limited | Chemicals | 3.17 |
| Page Industries Limited | Textiles | 3.14 |
| Bajaj Finance Limited | Financial Services | 3.07 |
| HDFC Bank Limited | Financial Services | 3.01 |
| Cholamandalam Investment and Finance Company Ltd | Financial Services | 3.00 |
| Titan Company Limited | Consumer Durables | 2.97 |
| Atul Limited | Chemicals | 2.87 |
| Power Grid Corporation of India Limited | Power | 2.83 |
| Bata India Limited | Consumer Durables | 2.80 |
| Sun Pharmaceutical Industries Limited | Healthcare | 2.70 |
| Larsen & Toubro Infotech Limited | Information Technology | 2.69 |
| Nippon Life India Asset Management Limited | Financial Services | 2.68 |
| Infosys Limited | Information Technology | 2.67 |
| UPL Limited | Chemicals | 2.62 |
| MindTree Limited | Information Technology | 2.61 |
| GlaxoSmithKline Pharmaceuticals Limited | Healthcare | 2.60 |
| Bharat Petroleum Corporation Limited | Oil, Gas & Consumable Fuels | 2.54 |
| Tech Mahindra Limited | Information Technology | 2.40 |
| Muthoot Finance Limited | Financial Services | 2.34 |
| Wipro Limited | Information Technology | 2.28 |
| Larsen & Toubro Limited | Construction | 2.27 |
| NMDC Limited | Metals & Mining | 1.87 |
| Vedanta Limited | Metals & Mining | 1.86 |
| Housing Development Finance Corporation Limited | Financial Services | 0.91 |
| Avenue Supermarts Limited | Consumer Services | 0.77 |
| Petronet LNG Limited | Oil, Gas & Consumable Fuels | 0.63 |
| Sub Total | | 99.54 |
| TREPS## | | 0.16 |
| Net Receivables / (Payables) | | 0.31 |
| Portfolio Total | | 100.00 |

Sector Allocation**



**Sector allocation as per AMFI classification

Market Capitalisation wise Exposure^



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 of August 31, 2022

THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*

- Capital appreciation over long term;
- Investment predominantly in equity and equity related instruments based on quant model

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

Scheme Risk-O-Meter



Investors understand that their principal will be at Very High Risk

Benchmark Risk-O-Meter



Investors understand that their principal will be at Very High Risk

IIFL DYNAMIC BOND FUND

(An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and relatively high credit risk.)



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. Milan Mody

Mr. Milan Mody has over 18 years of work experience in the Fixed Income market. Prior to joining IIFL Asset Management Limited, he was associated with ITI Asset Management Limited as Fixed Income Fund Manager for three years. His previous experience includes working with Darashaw, Birla Sun-life Securities, Sahara Life Insurance and Zyn Research Pvt. Ltd. He has done MBA Finance and B.Com.

Fund Details

| | |
|-----------------------------|---|
| Date of Allotment | : June 24, 2013 |
| Bloomberg Code | : IIFDDBBIN |
| Benchmark Index | : Crisil Dynamic Bond Fund CII Index |
| Plans Offered | : Regular & Direct |
| Options Offered | : Growth & IDCW |
| Minimum Application | : |
| 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 | : NIL |
| Dematerialization | : D-Mat Option Available |
| Asset Allocation | : |
| Debt Market | : 0% to 100% |
| Money Market | : 0% to 100% |
| REITs & InvITs | : 0% to 10% |

NAV as on August 31, 2022

| | |
|----------------------------------|-------------|
| Regular Plan Growth | : ₹ 18.1383 |
| #Regular Plan Bonus | : ₹ 18.1383 |
| Regular Quarterly IDCW | : ₹ 17.5034 |
| #Regular Half Yearly IDCW | : ₹ 17.5034 |
| #Regular Monthly IDCW | : ₹ 11.8915 |
| Direct Plan Growth | : ₹ 19.0006 |
| Direct Monthly IDCW | : ₹ 12.6183 |

#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 August 31, 2022

| | |
|----------------------------|------------------|
| Net AUM | : ₹ 538.8 crore |
| Monthly Average AUM | : ₹ 551.63 crore |

Total Expense Ratio

| | |
|---------------------|--------------|
| Regular Plan | : 0.52% p.a. |
| Direct Plan | : 0.27% p.a. |

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

Statistical Debt Indicators

| | |
|--------------------------|--------------|
| Macaulay Duration | : 3.79 years |
| Modified Duration | : 3.54 years |
| Average Maturity | : 5.80 years |
| Yield to Maturity | : 7.54% |

Maturity is based on yield to call.

Note: For PRC Matrix of the fund please refer to page 8.

Portfolio as on August 31, 2022

| Name of the Instrument | Rating | % to Net Assets |
|--|------------|-----------------|
| REIT/InvIT Instruments | | |
| Powergrid Infrastructure Investment Trust | Power | 3.02 |
| Embassy Office Parks REIT | Realty | 2.02 |
| Debt Instruments | | |
| Sovereign Securities | | 17.82 |
| 9.15% GOVERNMENT OF INDIA | SOVEREIGN | 5.84 |
| 7.84% STATE GOVERNMENT SECURITIES | SOVEREIGN | 4.75 |
| 5.74% GOVERNMENT OF INDIA | SOVEREIGN | 3.55 |
| 7.17% GOVERNMENT OF INDIA | SOVEREIGN | 1.87 |
| 7.69% STATE GOVERNMENT SECURITIES | SOVEREIGN | 0.94 |
| 6.1% GOVERNMENT OF INDIA | SOVEREIGN | 0.86 |
| Non-Convertible Debentures/Bonds | | 73.00 |
| 6.6861% MINDSPACE BUSINESS PARKS | CRISIL AAA | 9.16 |
| 8.9% STATE BANK OF INDIA* | CRISIL AAA | 7.57 |
| 9.15% ICICI BANK LIMITED* | ICRA AA+ | 7.51 |
| 7.75% LIC HOUSING FINANCE LIMITED | CRISIL AAA | 5.61 |
| TATA CAPITAL HOUSING FINANCE LIMITED | CRISIL AAA | 5.05 |
| 8.99% BANK OF BARODA* | CRISIL AA+ | 4.78 |
| 7.25% EMBASSY OFFICE PARKS REIT | CRISIL AAA | 4.64 |
| 6.75% SIKKA PORTS AND TERMINALS LIMITED | CRISIL AAA | 4.52 |
| 6.95% Power Finance Corporation Limited | CRISIL AAA | 4.48 |
| 6.4% Jamnagar Utilities & Power Private Limited | CRISIL AAA | 4.44 |
| 5.78% Housing Development Finance Corporation Limited | CRISIL AAA | 4.43 |
| 8.3% Indian Railway Finance Corporation Limited | CRISIL AAA | 2.92 |
| 8.4% India Grid Trust InvIT Fund | CRISIL AAA | 2.81 |
| 5.58% Cholamandalam Investment and Finance Company Ltd | ICRA AA+ | 2.74 |
| 8.5% State Bank of India* | CRISIL AA+ | 1.88 |
| 6.72% Power Finance Corporation Limited | CRISIL AAA | 0.46 |
| TREPS** / Reverse Repo | | |
| TREPS** | | 1.56 |
| Net Current Assets | | 2.58 |
| Portfolio Total | | 100.00 |

* BASEL III Compliant

Dividend Declared - Monthly IDCW Plan

| Date | Face Value (₹) | Gross Dividend (₹) (Per Unit) | Regular Plan NAV (₹) (Ex-Dividend) | Direct Plan NAV (₹) (Ex-Dividend) |
|-----------------------------|----------------|-------------------------------|------------------------------------|-----------------------------------|
| 30-Aug-22 | 10 | 0.05 | 11.8915 | 12.6183 |
| 26-Jul-22 | 10 | 0.05 | 11.8181 | 12.5345 |
| 28-Jun-22 | 10 | 0.05 | 11.7722 | 12.4804 |
| Quarterly IDCW Plan | | | | |
| 04-Jun-15 | 10 | 0.40 | 11.4678 | 11.5708 |
| HalfYearly IDCW Plan | | | | |
| 04-Jun-15 | 10 | 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

| Scheme / Benchmark | 31-Aug-21 to 31-Aug-22 | PTP (₹) | 31-Aug-19 to 31-Aug-22 | PTP (₹) | 31-Aug-17 to 31-Aug-22 | PTP (₹) | Since Inception | PTP (₹) |
|---------------------------------------|------------------------|---------|------------------------|---------|------------------------|---------|-----------------|---------|
| IIFL Dynamic Bond Fund - Reg - Growth | 3.53% | 10,353 | 6.13% | 11,957 | 5.99% | 13,374 | 6.69% | 18,138 |
| IIFL Dynamic Bond Fund - Dir - Growth | 3.79% | 10,379 | 6.58% | 12,110 | 6.53% | 13,719 | 7.24% | 19,001 |
| Benchmark* | 10.99% | 10,990 | 12.62% | 14,289 | 8.83% | 15,248 | 9.72% | 23,461 |
| Additional Benchmark** | -0.14% | 9,986 | 3.61% | 11,123 | 4.55% | 12,484 | 5.94% | 16,994 |

Past performance may or may not be sustained in future. Different plans shall have different expense structure.

* Crisil Dynamic Bond Fund CII 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;

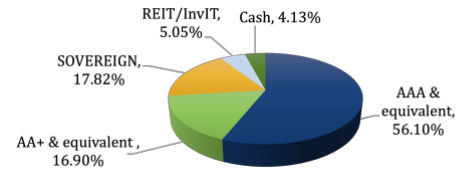
THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*

- Income and long term gains
- Investment in a range of debt and money market instruments of various maturities

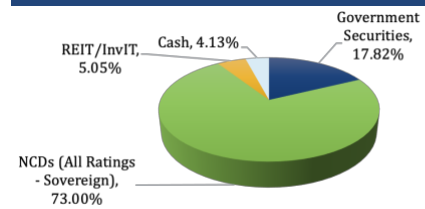
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

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

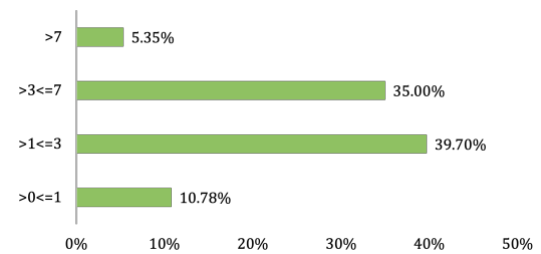
Composition by Rating[^]



Instrument Wise Composition[^]

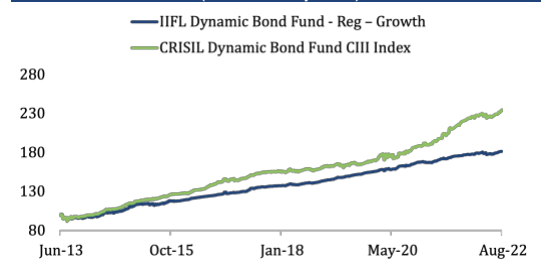


Maturity Profile[^]



[^] As of August 31, 2022

NAV Movement (Since Inception) Rebased to 100



Scheme Risk-O-Meter



Investors understand that their principal will be at Moderate Risk

Benchmark Risk-O-Meter



Investors understand that their principal will be at high risk

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. Milan Mody**

Mr. Milan Mody has over 18 years of work experience in the Fixed Income market. Prior to joining IIFL Asset Management Limited, he was associated with ITI Asset Management Limited as Fixed Income Fund Manager for three years. His previous experience includes working with Darashaw, Birla Sun-life Securities, Sahara Life Insurance and Zyin Research Pvt. Ltd. He has done MBA Finance and B.Com.

Fund Details

| | |
|---|---|
| Date of Allotment | : November 13, 2013 |
| Benchmark Index | : CRISIL Liquid Fund BI Index |
| Plans Offered | : Regular & Direct |
| Options Offered | : Growth & IDCW |
| 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 Load | : NIL |
| Exit Load | : |
| Investor exit upon Subscription | : Exit load as a % of redemption proceeds |
| Day 1 | : 0.0070% |
| Day 2 | : 0.0065% |
| Day 3 | : 0.0060% |
| Day 4 | : 0.0055% |
| Day 5 | : 0.0050% |
| Day 6 | : 0.0045% |
| Day 7 Onwards | : 0.0000% |
| Dematerialization | : D-Mat Option Available |
| Asset Allocation | : |
| Money market and debt instruments with residual maturity up to 91 days | : 0% to 100% |

NAV as on August 31, 2022

| | |
|---------------------------------|---------------|
| Regular Plan Growth | : ₹ 1663.8588 |
| Regular Plan Weekly IDCW | : ₹ 1005.1502 |
| Regular Plan Daily IDCW | : ₹ 1000.0701 |
| Direct Plan Growth | : ₹ 1671.2033 |
| Direct Plan IDCW | : ₹ 1000.0427 |
| Direct Plan Weekly IDCW | : ₹ 1005.1516 |

AUM as on August 31, 2022

| | |
|----------------------------|------------------|
| Net AUM | : ₹ 854.41 crore |
| Monthly Average AUM | : ₹ 931.99 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.

Total Expense Ratio

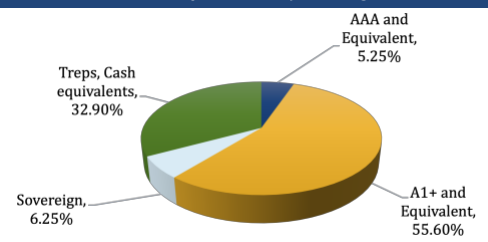
| | |
|--------------------------|-------------|
| Macaulay Duration | : 32.2 days |
| Modified Duration | : 30.4 days |
| Average Maturity | : 32.6 days |
| Yield to Maturity | : 5.64% |

Note: For PRC Matrix of the fund please refer to page 8.

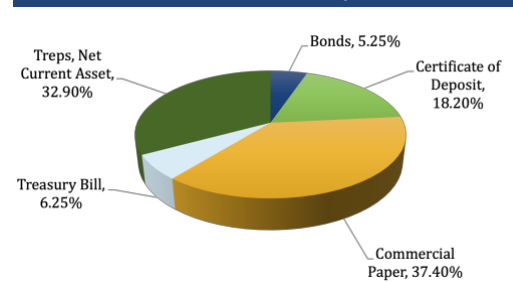
Portfolio as on August 31, 2022

| Name of the Instrument | Rating | % to Net Assets |
|---|------------|-----------------|
| Debt Instruments | | |
| Bonds | | |
| 7.35% Bajaj Finance Limited | CRISIL AAA | 5.25 |
| Sub Total | | 5.25 |
| Certificate of Deposit | | |
| HDFC Bank Limited | CARE A1+ | 5.21 |
| Indian Bank | CRISIL A1+ | 2.62 |
| Punjab National Bank | CARE A1+ | 2.60 |
| IDFC First Bank Limited | CRISIL A1+ | 2.60 |
| Indian Bank | CRISIL A1+ | 2.59 |
| Punjab National Bank | ICRA A1+ | 2.58 |
| Sub Total | | 18.20 |
| Commercial Paper | | |
| Axis Finance Limited | CRISIL A1+ | 5.20 |
| Small Industries Dev Bank of India | CRISIL A1+ | 5.19 |
| Larsen & Toubro Limited | CRISIL A1+ | 5.17 |
| Godrej Industries Limited | CRISIL A1+ | 5.17 |
| LIC Housing Finance Limited | CRISIL A1+ | 2.61 |
| Housing Development Finance Corporation Limited | CRISIL A1+ | 2.61 |
| Sikka Ports and Terminals Limited | CRISIL A1+ | 2.61 |
| Export Import Bank of India | CRISIL A1+ | 2.61 |
| Housing Development Finance Corporation Limited | CRISIL A1+ | 2.59 |
| Aditya Birla Finance Limited | ICRA A1+ | 2.59 |
| L&T Finance Limited | ICRA A1+ | 1.05 |
| Sub Total | | 37.40 |
| Treasury Bill | | |
| 182 Days Tbill | SOVEREIGN | 2.61 |
| 91 Days Tbill | SOVEREIGN | 2.60 |
| 91 Days Tbill | SOVEREIGN | 1.04 |
| Sub Total | | 6.25 |
| TREPS** / Reverse Repo | | |
| TREPS** | | 32.21 |
| Sub Total | | 32.21 |
| Net Receivables/(Payables) | | 0.69 |
| Portfolio Total | | 100.00 |

Composition by Rating[^]



Instrument Wise Composition[^]



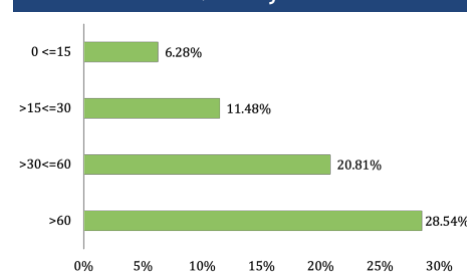
[^] As of August 31, 2022

Scheme Performance

| Scheme / Benchmark | 31-Aug-21 to 31-Aug-22 | PTP (₹) | 31-Aug-19 to 31-Aug-22 | PTP (₹) | 31-Aug-17 to 31-Aug-22 | PTP (₹) | Since Inception | PTP (₹) |
|---------------------------------|------------------------|---------|------------------------|---------|------------------------|---------|-----------------|---------|
| IIFL Liquid Fund - Reg - Growth | 3.76% | 10,376 | 3.59% | 11,118 | 4.77% | 12,625 | 5.95% | 16,635 |
| IIFL Liquid Fund - Dir - Growth | 3.81% | 10,381 | 3.64% | 11,135 | 4.82% | 12,657 | 6.01% | 16,708 |
| Benchmark* | 4.19% | 10,419 | 4.34% | 11,364 | 5.41% | 13,013 | 6.54% | 17,470 |
| Additional Benchmark** | 3.18% | 10,318 | 4.62% | 11,453 | 5.59% | 13,126 | 6.47% | 17,368 |

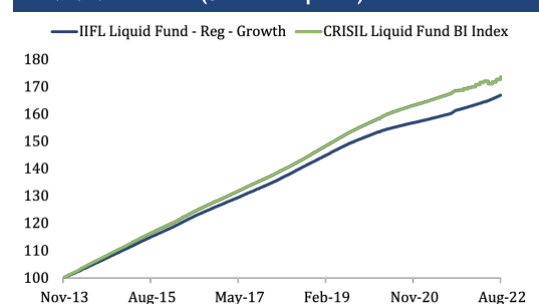
Past performance may or may not be sustained in future. Different plans shall have different expense structure. * CRISIL Liquid Fund BI Index, ** Crisil 1 Year T-Bill Index; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000 made on the inception date 13-Nov-2013;

Maturity Profile[^]



[^] As of August 31, 2022

NAV Movement (Since Inception) Rebased to 100



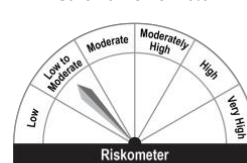
THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*

- 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.

Scheme Risk-O-Meter



Investors understand that their principal will be at Low to Moderate Risk

Benchmark Risk-O-Meter



Investors understand that their principal will be at Low to Moderate Risk

POTENTIAL RISK CLASS OF A SCHEME

IIFL Asset Management Limited has positioned its debt schemes in terms of PRC matrix consisting of parameters based on maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme). Accordingly, the debt schemes of the Mutual Fund shall be placed in PRC matrix as follows:

| Credit Risk of scheme → Interest Rate Risk of the Scheme ↓ | Relatively Low (Class A) | Moderate (Class B) | Relatively High (Class C) |
|---|--------------------------|---------------------------|-----------------------------------|
| Relatively Low (Class I) | A - I NIL | B - I IIFL Liquid Fund | C - I NIL |
| Moderate (Class II) | A - II NIL | B - II NIL | C - II NIL |
| Relatively High (Class III) | A - III NIL | B - III NIL | C - III IIFL Dynamic Bond Fund |

GLOSSARY OF TERMS

| | |
|---|--|
| FUND MANAGER | 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. |
| APPLICATION AMOUNT FOR FRESH SUBSCRIPTION | This is the minimum investment amount for a new investor in a mutual fund scheme. |
| MINIMUM ADDITIONAL AMOUNT | This is the minimum investment amount for an existing investor in a mutual fund scheme. |
| YIELD TO MATURITY | 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. |
| SIP | 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. |
| NAV | 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. |
| BENCHMARK | 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. |
| ENTRY LOAD | 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. |
| EXIT LOAD | 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. |
| MODIFIED DURATION | Modified duration is the price sensitivity and the percentage change in price for a unit change in yield. |
| STANDARD DEVIATION | 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. |
| SHARPE RATIO | 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. |
| BETA | 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. |
| R-SQUARED | R-squared measures the relationship between a portfolio and its benchmark index. It measures the correlation of the portfolio's returns to the benchmark's returns. |
| TREYNOR RATIO | Developed by Jack Treynor, the Treynor ratio (also known as the "reward-to-volatility ratio") attempts to measure how well an investment has compensated its investors given its level of risk. The Treynor ratio relies on beta, which measures an investment's sensitivity to market movements, to gauge risk. |
| AUM | 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. |
| HOLDINGS | 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. |
| NATURE OF SCHEME | 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. |
| RATING PROFILE | 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. |
| IDCW | Dividend option is renamed as Income Distribution cum Capital Withdrawal (IDCW) option for all Schemes effective from April 1, 2021 |

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.

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