

ICICI Prudential Growth Fund Series 6

NFO Period: 19th Dec 2014 to 2nd Jan 2015

This product is suitable for investors who are seeking*




- Long term wealth creation solution
- A close ended diversified equity fund that aims to provide capital appreciation by investing in equity and equity related instruments.



**HIGH RISK
(BROWN)**

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

Note - Risk may be represented as:

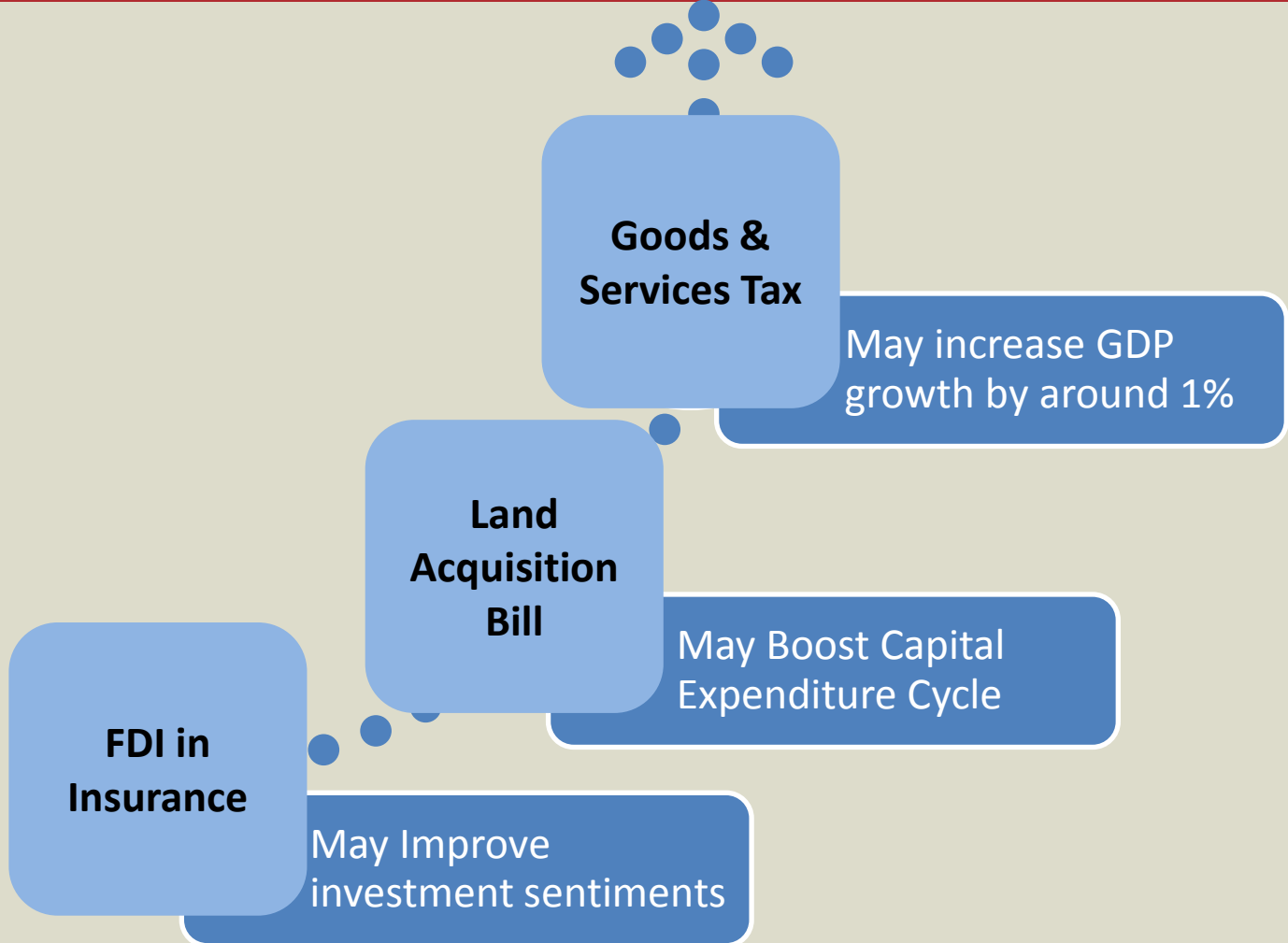
	<i>(BLUE) investors understand that their principal will be at low risk</i>		<i>(YELLOW) investors understand that their principal will be at medium risk</i>		<i>(BROWN) investors understand that their principal will be at high risk</i>
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Opportunity in Equities from 3-5 Year View

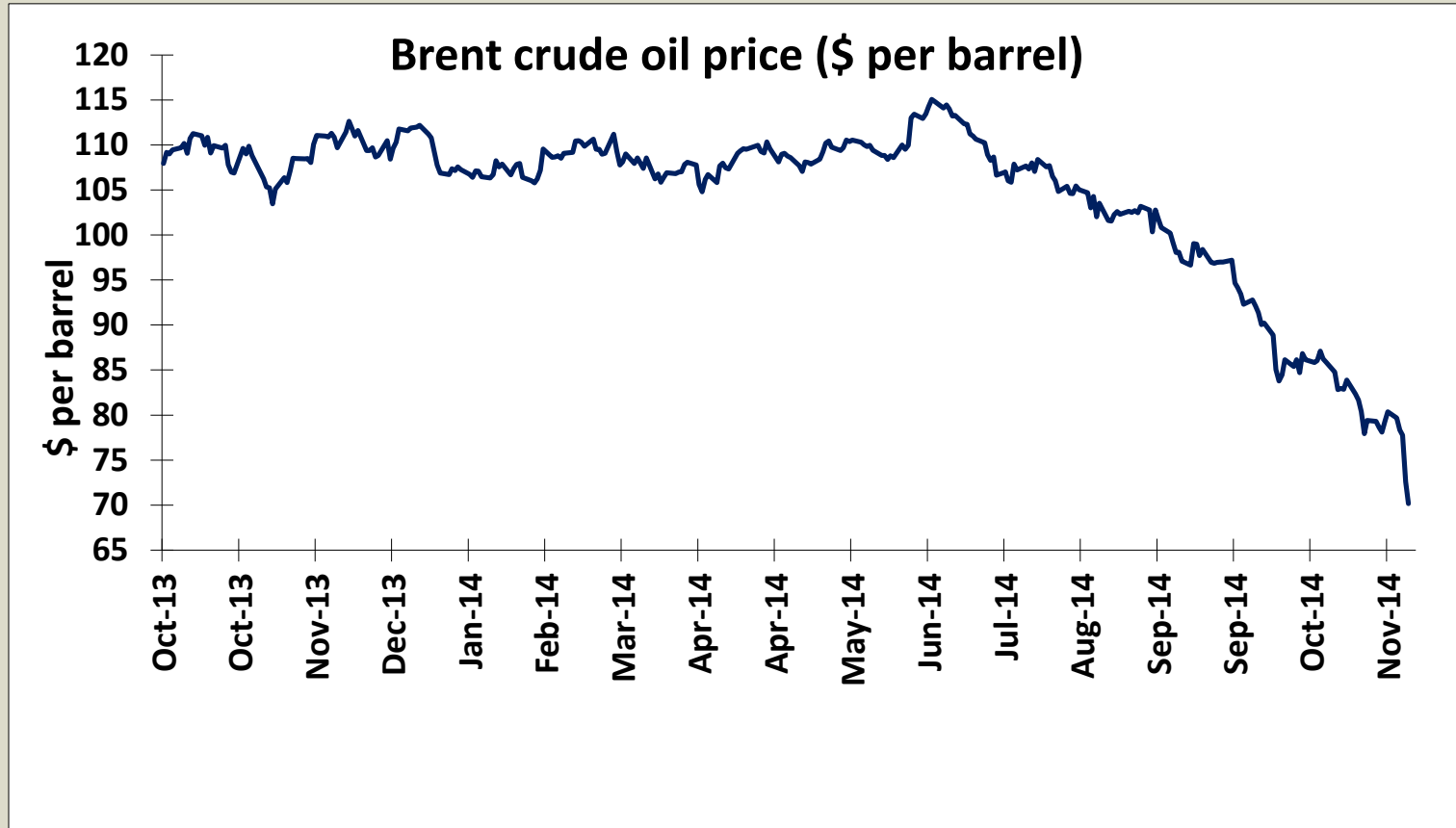


- **Stable Pro-growth Government:** To Pursue key reforms which can boost economic outlook.
- **Current Account Deficit (CAD) :** Has declined to 1.7% of GDP in FY14 from over 4% levels. We expect CAD to remain moderated at sub-2.5% levels.
- **Fiscal consolidation :** Government has set a target of 3% Fiscal Deficit by FY17, from 4.5% currently.
- **Inflation :** Inflation is now in RBI's comfort zone and it is set to achieve its target.
- **Currency :** Is likely to remain stable given Government's commitment to reduce inflation, fiscal deficit and CAD along with continuing foreign capital and portfolio inflows.
- **Real Growth :** Expected to pick up from 4.7% in FY14.

Triggers in the near term



Movement of crude oil - Positive

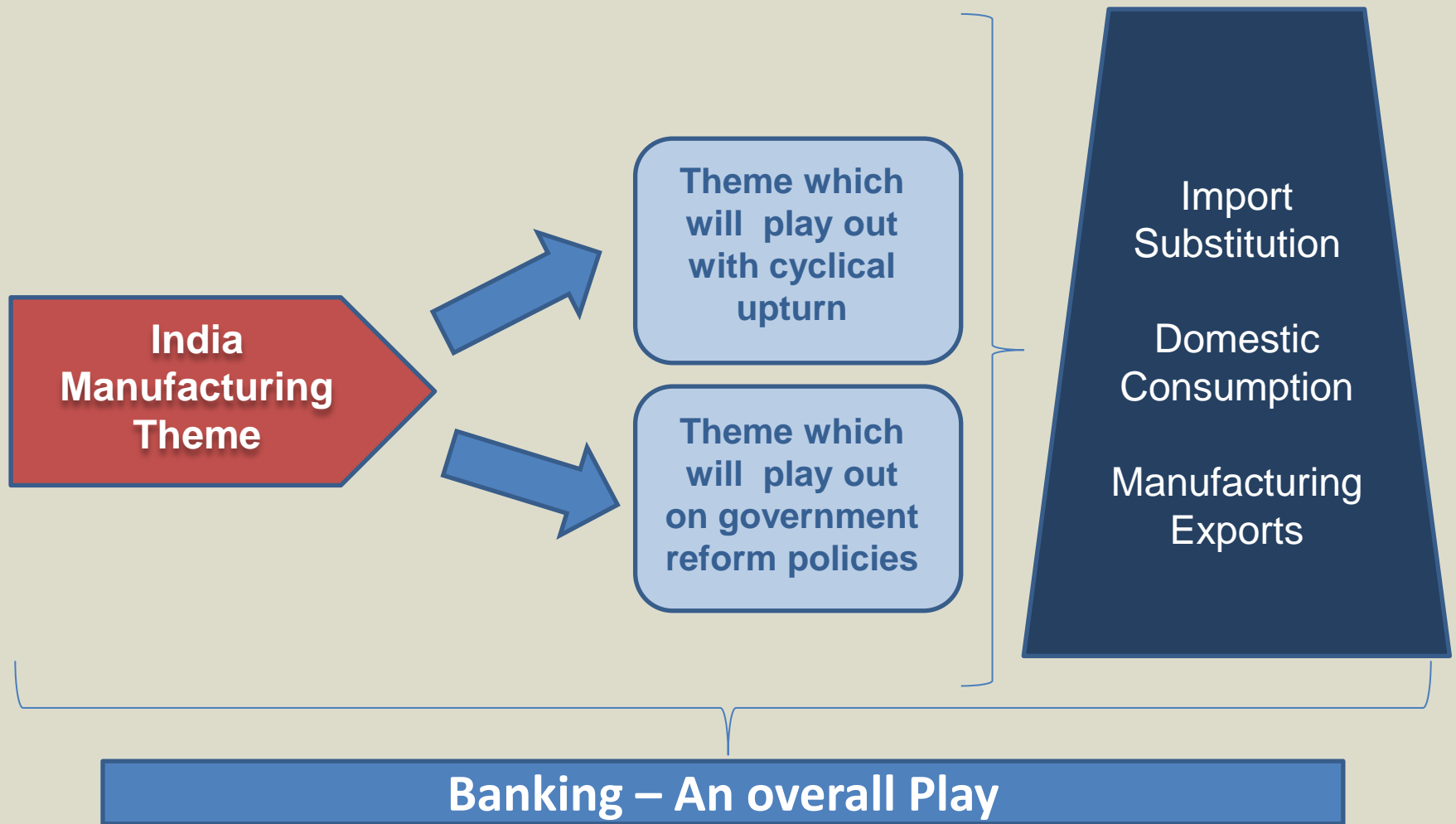


India being net importer of commodities, the recent correction in crude oil prices can help tame down the current account & fiscal deficit and inflation.

Governments Thrust on Make in India



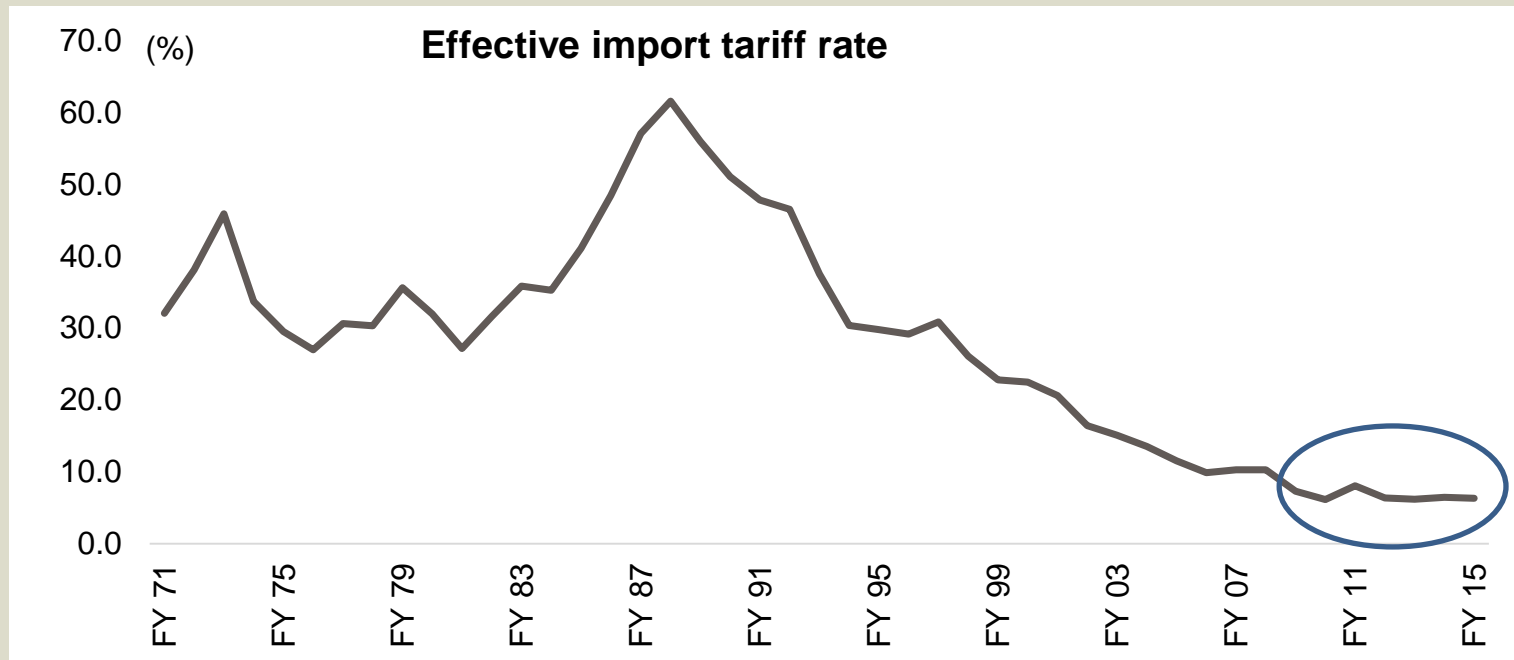
Themes which contribute to Make in India



Import Substitution



Import Tariff



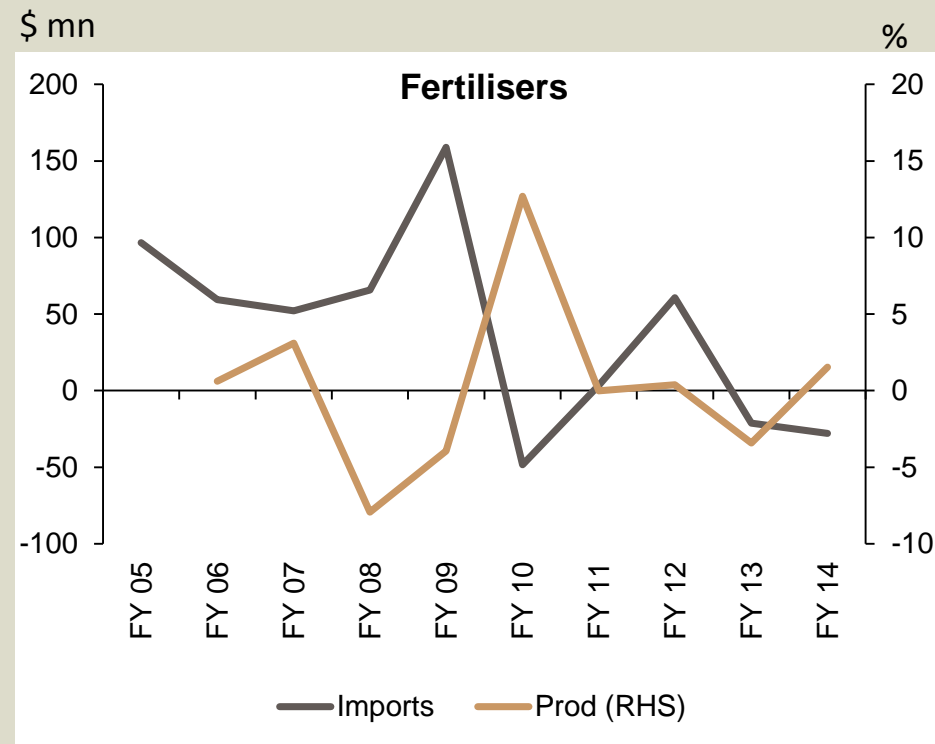
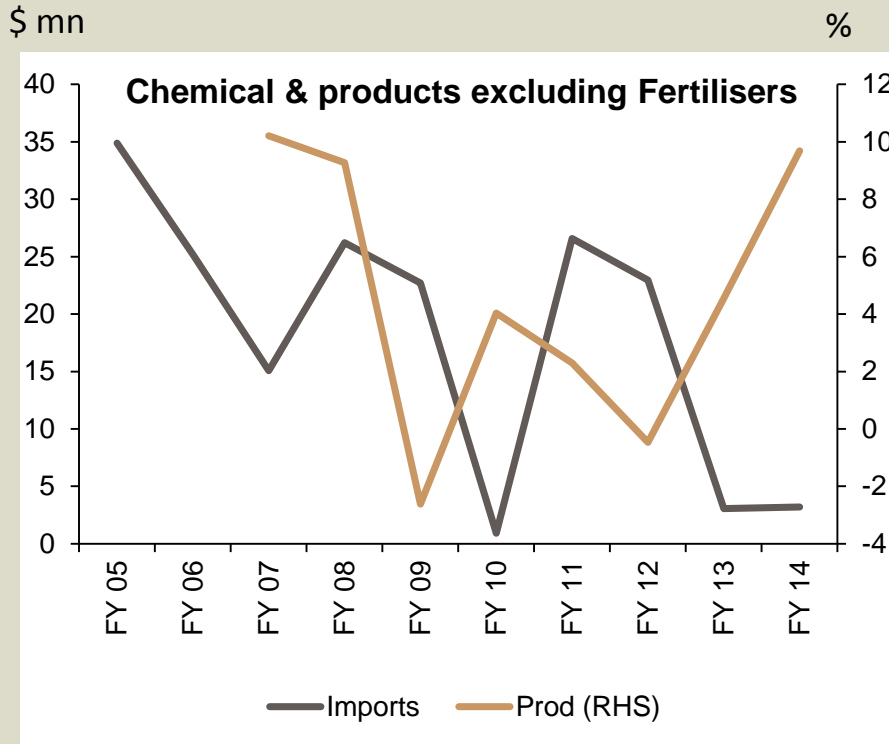
Effective import tariff rate has bottomed out.

Any increase in the import tariff is likely to benefit companies that produce domestically.

Import Substitution



Imports v/s Domestic Production



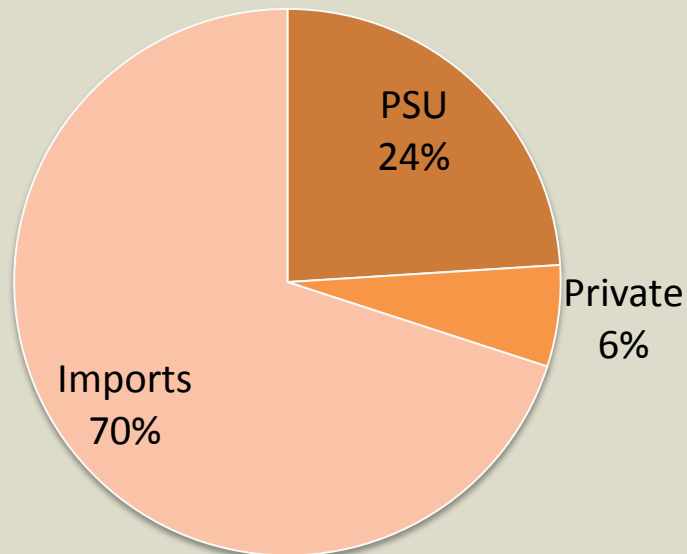
The above industries are witnessing import substitution which is reflected through:
A persistent fall in imports and,
Concomitant rise in domestic production

Import Substitution

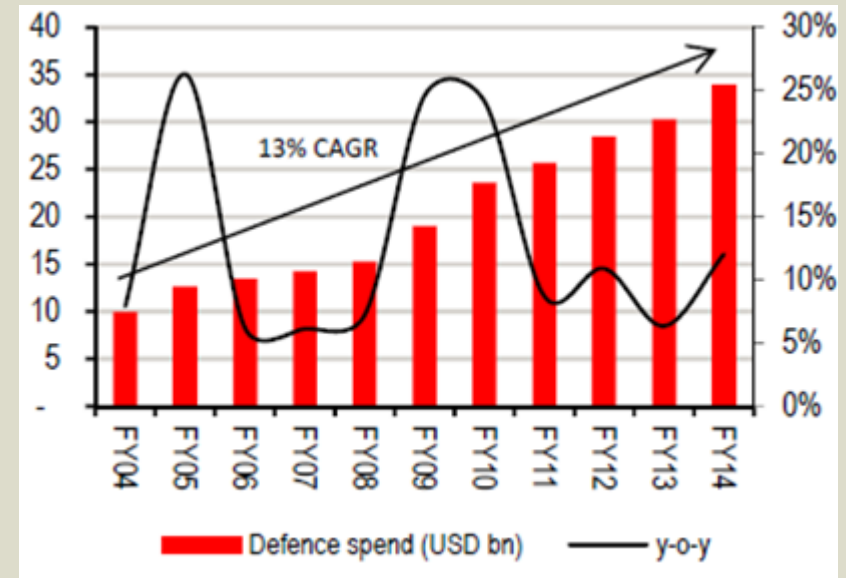
Defence – US\$106 billion opportunity over FY14-19

Current Situation

India defence spending origination mix



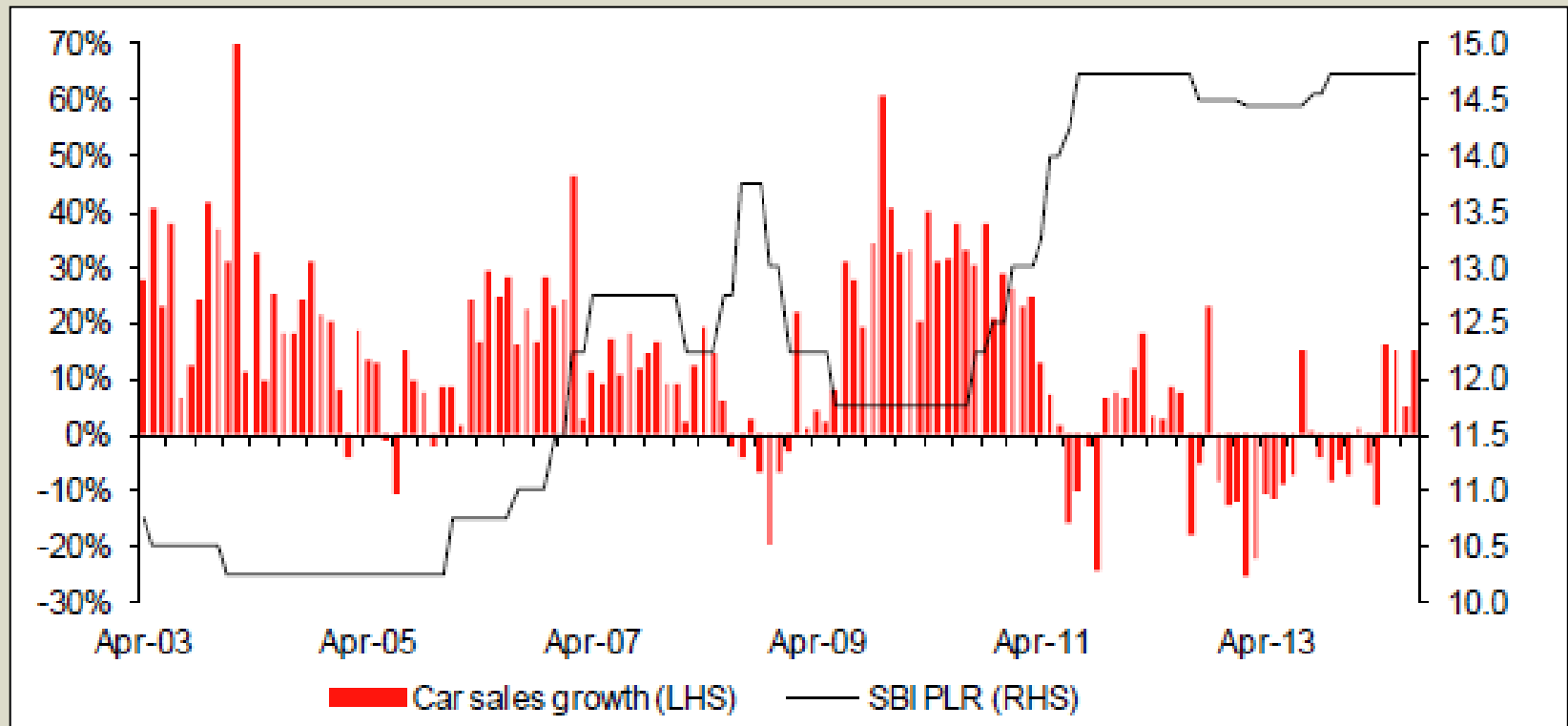
Opportunities



With defence spend expected to grow at 32% CAGR and Government thrust on manufacturing indigenously, Indian defence companies are likely to benefit.

Domestic Consumption

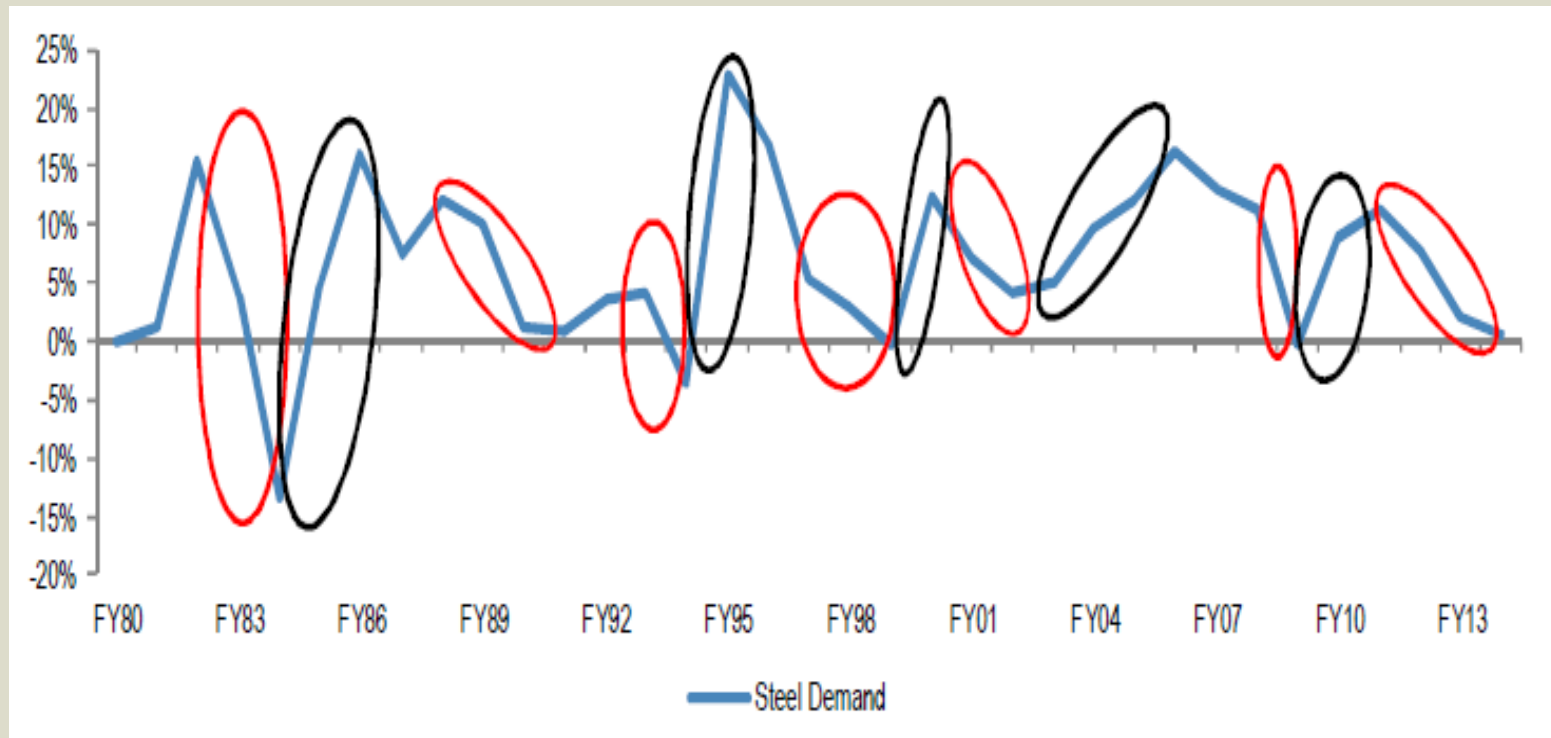
Automobiles



- India auto demand is likely to benefit from improving growth outlook.
- With lower interest rates, the auto demand has picked up in the past and vice versa.

Domestic Consumption

Steel



Historical analysis suggests that after a period of sharp slowdown, demand bounces back with double-digit growth rates.

Manufacturing Exports



Auto and Auto components: Global major companies looking to make India their manufacturing Hub

Pharmaceuticals: Contract research, contract manufacturing, Research & Development – India gaining more presence in the global map

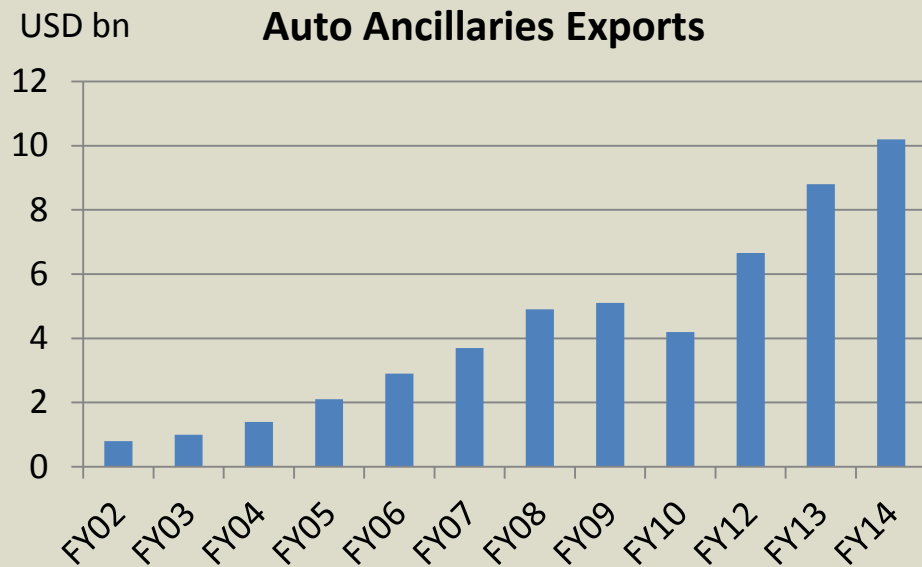
Textile, Leather and Electronics: Rupee depreciation has lead to Indian exports becoming more competitive vis a vis China's exports.

Agriculture - less flexible, but steady: Almost all costs are effectively rupee-denominated; a decline in the currency can give cost advantage to Indian farmers

Manufacturing Exports

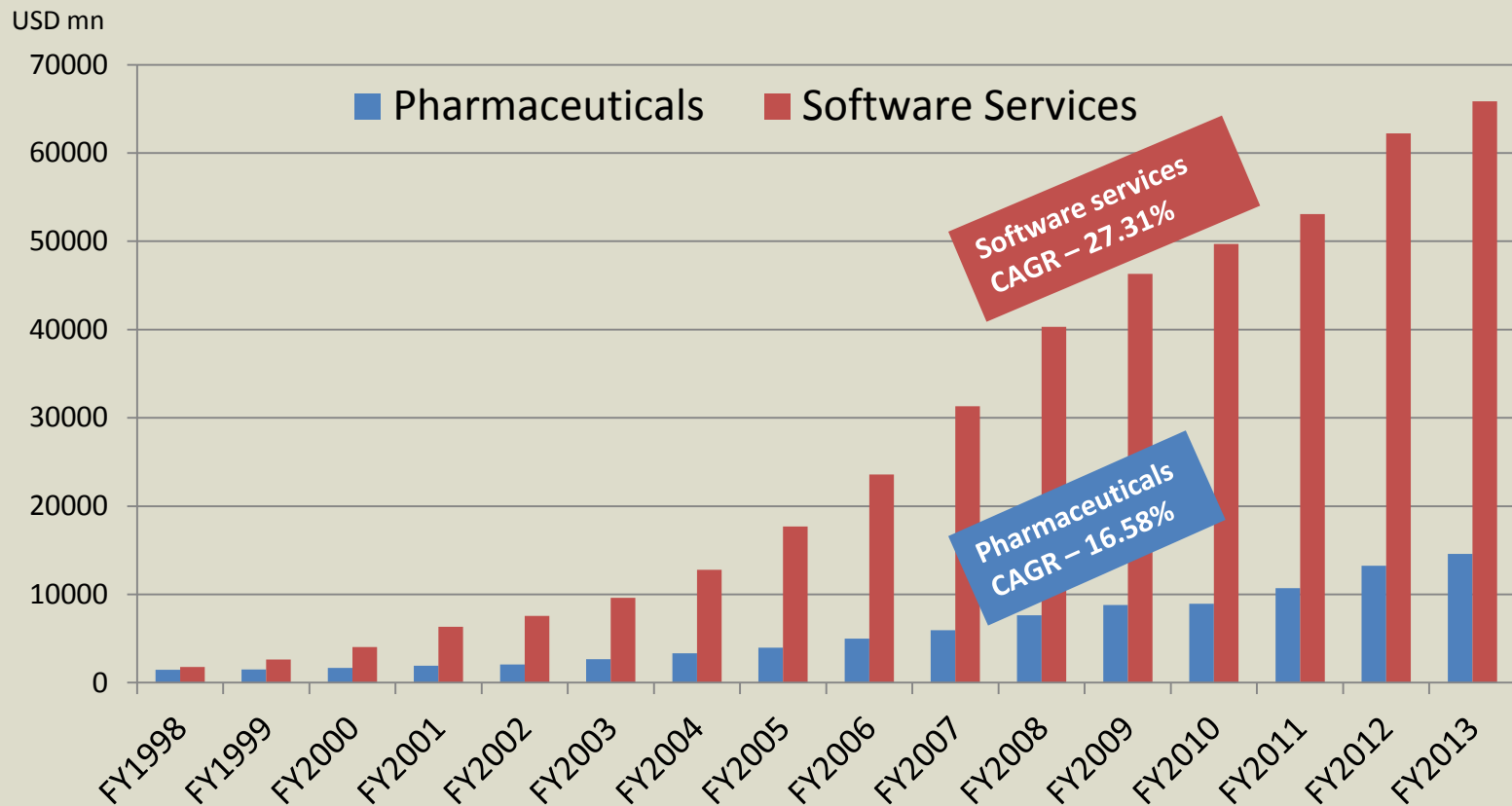


Auto and Auto Ancillaries



Exports growth of auto ancillaries and 2 wheelers have shown healthy growth over the last decade.

Export growth in Pharma and Software



Export growth of software and pharmaceuticals has increased at an incredible rate over the last 15 years.

Banking – An overall play on the economy



Manufacturing

- Power
- Road Construction
- Project Finance
- SME Finance
- Working Capital Finance

Agriculture

- Farm & Other Agriculture Loans
- Rural Savings Mobilization

Services

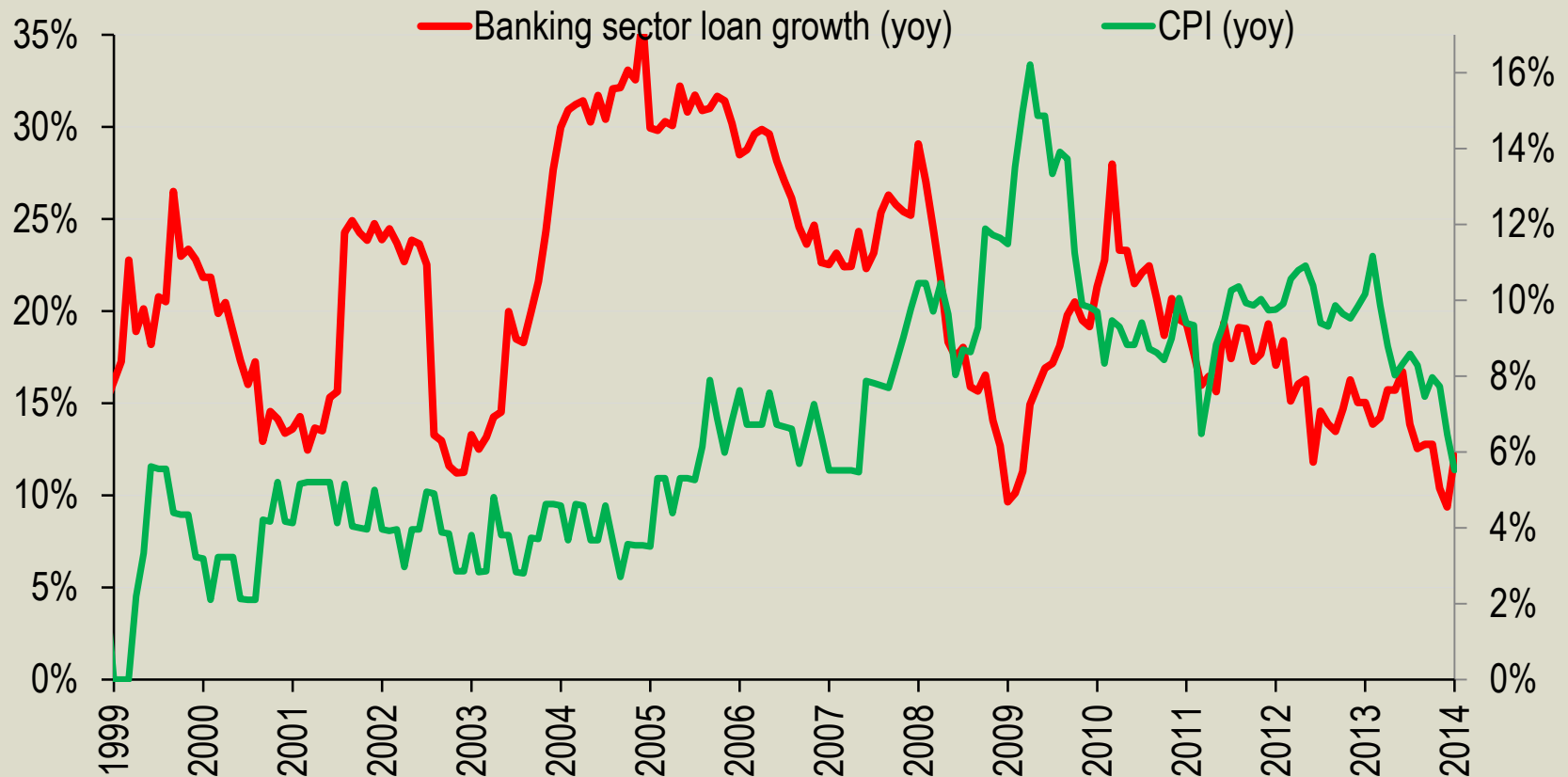
- Trade Financing
- Home Financing
- Life Insurance
- General Insurance
- Brokerage Firms
- Vehicle Financing
- Rating Agencies

Trade

- Export & Import Financing
- Letter of credit & Bank Guarantee

Banking sector is an indirect play on the overall economy

Banking loan growth and Inflation



Inflation and Banking sector loan growth shows negative correlation. With inflation expected to ease further, banking sector is likely to witness healthy growth.

ICICI Prudential Growth Fund – Series 6



About the fund

A 3.5 years close ended equity fund that aims to provide capital appreciation by :

- Investing in around 15 high conviction large-cap stocks#.
- Investing in 10 high conviction mid/small cap stocks with bottom up approach #.
- Declaring commensurate dividends*.

*Dividends will be declared subject to availability of distributable surplus and approval from Trustees

#The number of stocks provided is to explain the investment philosophy and the actual number may go up or down depending on then prevailing market conditions at the time of investment

Scheme Features



Type of scheme	A Close ended equity scheme
Investment Objective	<p>The investment objective of the Scheme is to provide capital appreciation by investing in a well-diversified portfolio of equity and equity related securities.</p> <p>However, there can be no assurance that the investment objective of the Scheme will be realized.</p>
Options	Direct Plan – Dividend payout Option Regular Plan – Dividend payout Option
Minimum Application Amt.	Rs.5,000 (plus in multiple of Rs.10)
Entry & Exit Load	Not Applicable
Benchmark Index	CNX Nifty Index
Fund Manager*	Yogesh Bhatt and Vinay Sharma

*Mr. Shalya Shah for investment in ADR/GDR/ Foreign securities

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

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