

MIRAE ASSET
Mutual Fund



Prudent investing
Relaxed investor

NFO Opens: 8th July, 2015
NFO Closes: 22nd July, 2015*

Mirae Asset Prudence Fund
(An Open Ended Equity Oriented Asset Allocation Scheme)

*Scheme re-opens for continuous sale and re-purchase on or before five business days from the date of allotment.

MAPF - Investment Objective



The investment objective of the Scheme is to generate capital appreciation along with current income from a combined portfolio of equity & equity related instruments and debt and money market instruments.

MAPF – Asset Allocation



Asset Allocation Strategy

Types of Instruments	Indicative allocation (% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Equity and Equity Related Instruments*	65	80	High
Amongst the top 100 companies by market capitalization@	65	80	
Not amongst the top 100 companies by market capitalization@	0	15	
Debt & Money Market Instruments	20	35	Medium

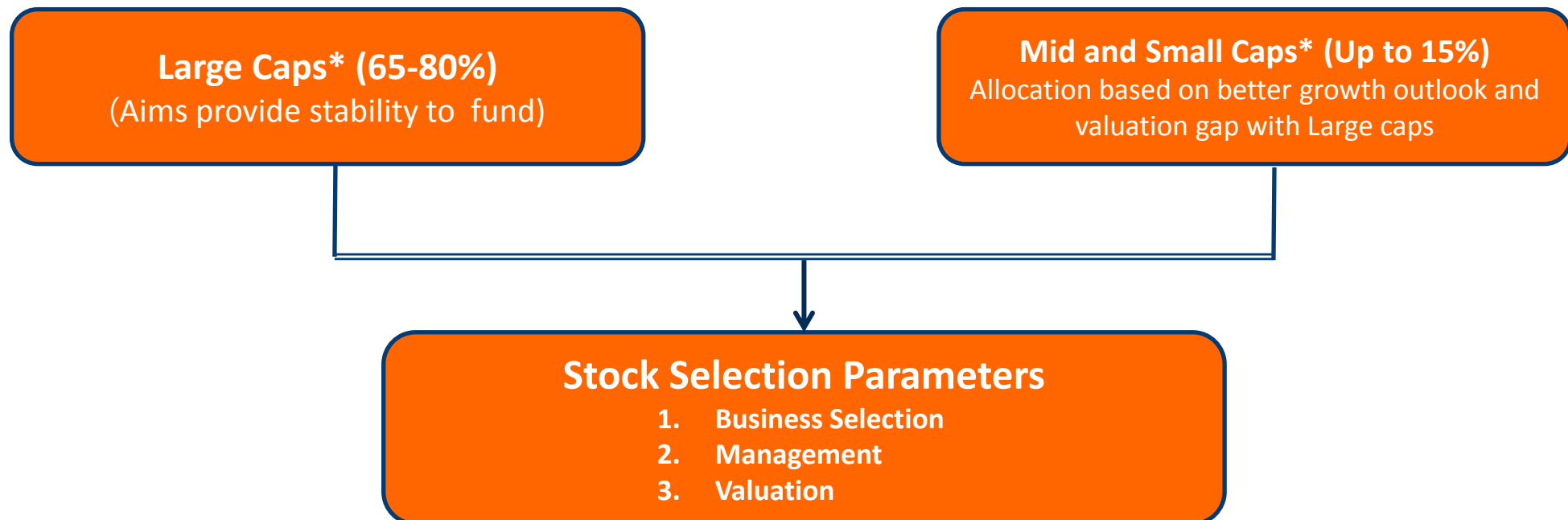
*Equity and Equity related instruments include convertible debentures, equity warrants, convertible preference shares, etc. @At the time of investment

The asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. In the event of deviations, portfolio rebalancing will be carried out within 30 calendar days.

The Scheme provides the Investment Manager flexibility to shift allocations within the mentioned asset allocation in the event of a change in view regarding an asset class.

MAPF – Equity Investment Strategy

- ✓ Allocation between Equity and Debt- Function of Valuation, Earnings Growth and Interest Rate Outlook
- ✓ Bottom up Stock selection Process
- ✓ No Bias towards any sector/Themes



* Top 100 companies by market capitalization are classified as Large cap Companies and below top 100 as Mid and Small Caps.

MAPF – Equity Stock Selection Process

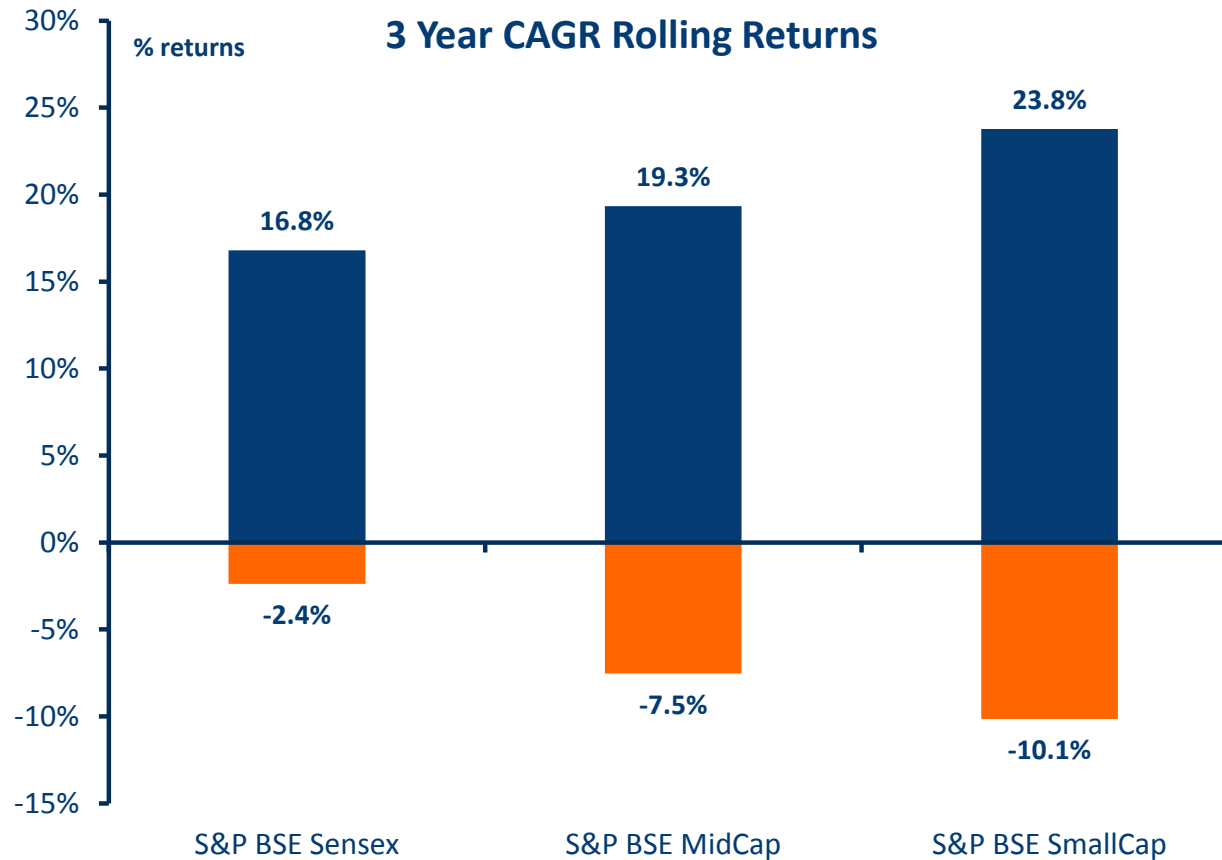
- Intellect and thought leadership
- Good Corporate governance track record



- Business with Scalability & Sustainable Competitive Advantages
- High ROI (Return on Investment), and thus free cash generation
- Strong Earnings Growth & Visibility

- Bias for reasonable “**Margin of Safety**”, which mitigates underlying risks (related to business, liquidity and volatility)

MAPF - Large Caps generally provide stability



Source: Bloomberg, 31st May, 2015. The above chart depicts average Highs and Lows, over the period of June-2005 to May-2015. Past performance of the indices may or may not be sustained in future and may vary according to the changing economic environment.

- **In falling markets large caps generally provide stability to the portfolio and they participate in the bull rallies.**

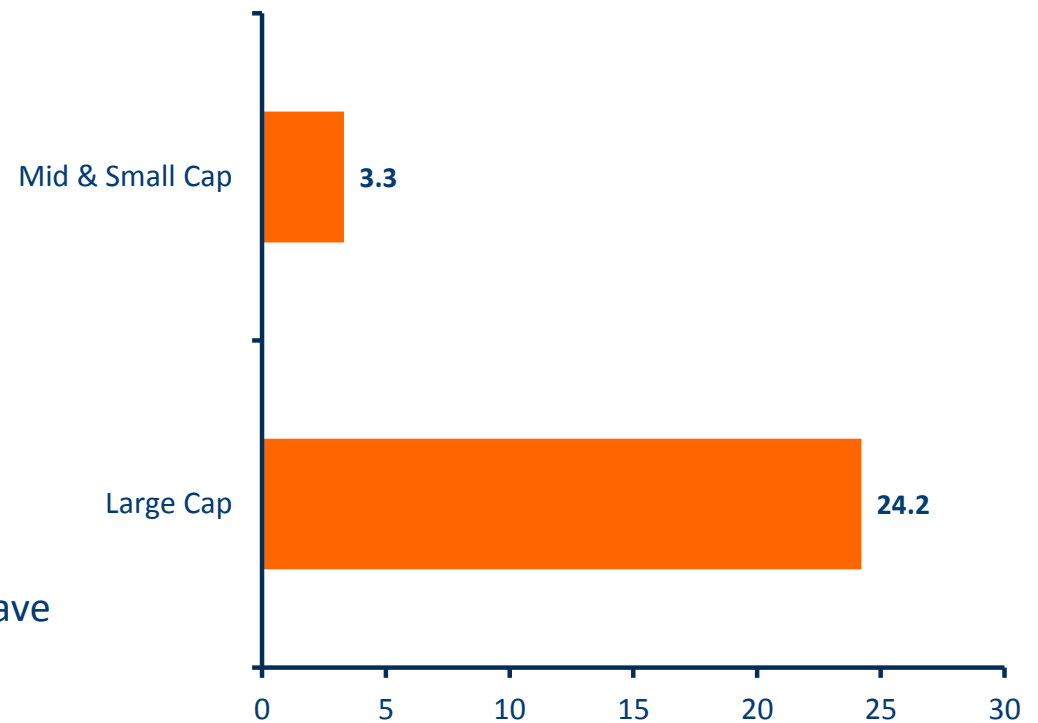
MAPF - Large Caps generally provide stability



Why Large Cap Companies?

- ✓ First to react to an economic revival.
- ✓ Generally performs across various market cycles.
- ✓ Highly traded on stock exchanges ensuring good liquidity.
- ✓ Advantages of size and scale.
- ✓ These companies have proven track records and have been through several market cycles.

Average Volume (in lakhs) 6 months



Source: Bloomberg, 31st May, 2015. The Top 100 companies by market capitalization have been classified as large caps.

MAPF – Debt Investment Strategy



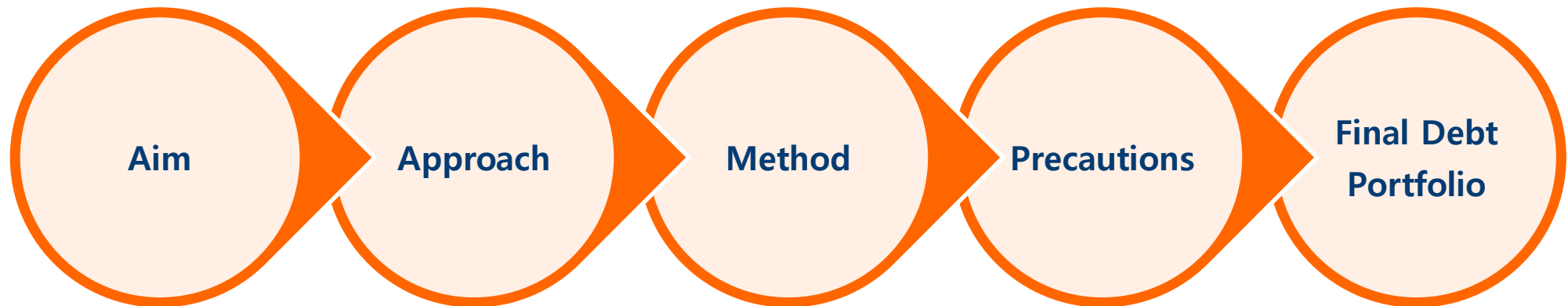
- ✓ Portfolio will be actively managed.
- ✓ Top down approach for taking interest rate view and sector allocation view
- ✓ Bottom up approach for security/instrument selection.
- ✓ Flexibility to invest across all the securities in the debt and money markets. Majorly to invest in Certificate of Deposits, Commercial Papers, Corporate and Government Securities of varying maturities
- ✓ **Stability aimed through debt investments**

MAPF – Debt Portfolio Strategy



- ✓ Primarily the Fund will endeavor to invest in Government and AAA rated corporate bonds.
- ✓ **Maintain portfolio duration of 4-5 years (considering attractiveness of yields weighted on the risk scale)**
- ✓ The Fund may endeavor to build duration fund with more exposure to gilts as credit spread tends to widen from current levels in event of increased supply of bond on back of demand of funds to boost growth.
- ✓ **Looking at current corporate earnings and NPA situations at banks, the Fund shall endeavor to invest in high credit quality bonds.**

MAPF - Debt Investment Process



- The strategy aims to maximize risk-adjusted returns by allocating assets dynamically to the most attractive fixed income securities.

- The approach is primarily guided by the interest rate movement in the market.

- Mix of Top down and Bottom up method is followed

- Adequate precautions are taken to reduce credit risk, liquidity risk and risk spreads.

MAPF - Fund Features



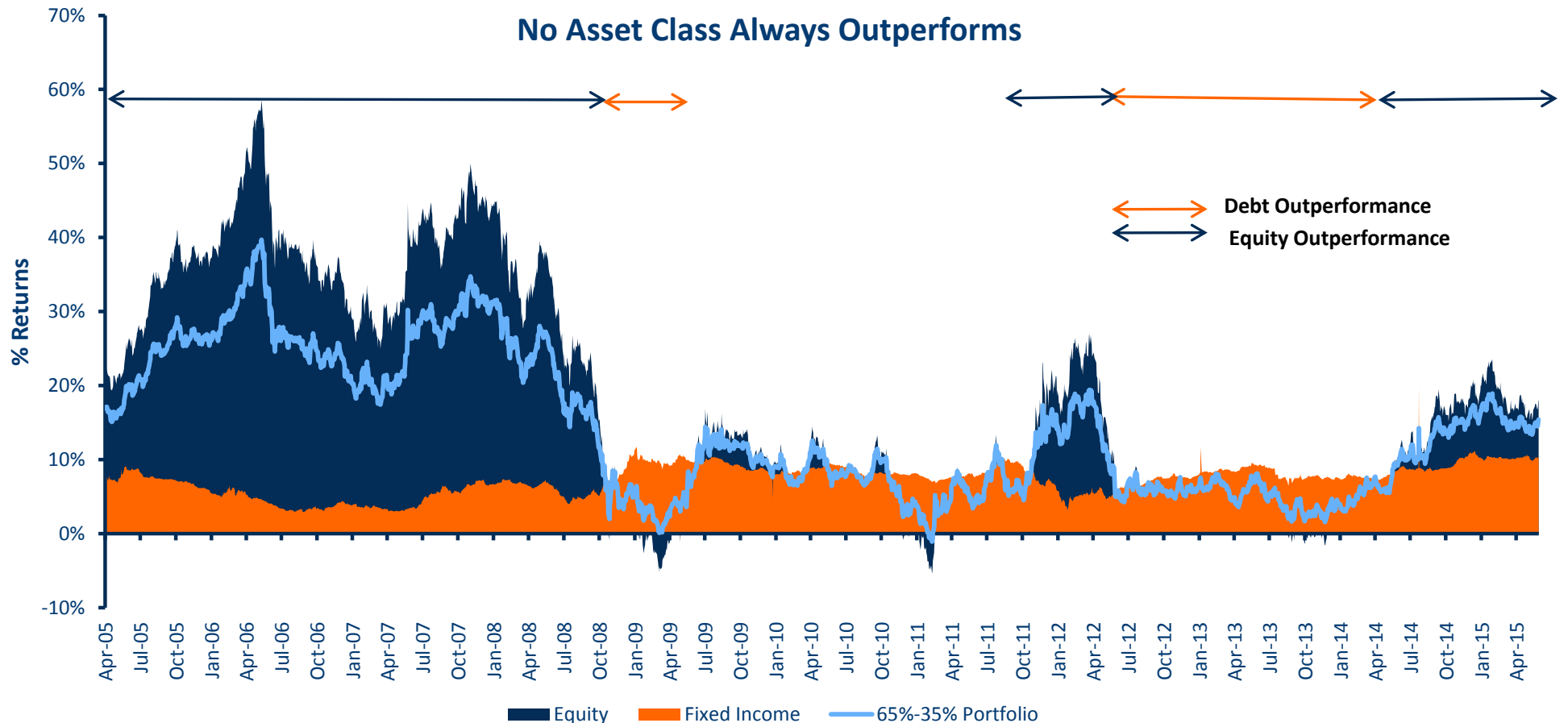
Type of Scheme	An open-ended equity oriented asset allocation scheme.
Benchmark	CRISIL Balanced Fund Index
Fund Managers	Mr. Neelesh Surana (Equity portion) & Mr. Yadnesh Chavan (Debt portion)
Plans	The Scheme will have Regular Plan and Direct Plan. Each of the above Regular and Direct with following Options / Sub-options: (1) Growth Option and (2) Dividend Option. The Dividend Option shall have 2 sub options: (a) Dividend Payout (b) Dividend Reinvestment. Default Option is Regular Plan - Growth Option.
Minimum Investment	Lump Sum: 5,000/- (multiples of Re. 1/- thereafter)
Systematic Investment Plan (SIP)	Minimum 6 installments monthly Rs. 1000/- each (in multiples of Rs. 1/- thereafter) Minimum 4 installments (quarterly) Rs. 1500/- each (in multiples of ` 1/- thereafter)
Exit Load	If redeemed within 6 months (182 days) from the date of allotment: 2% ; If redeemed after 6 months (182 days) but within 1 year (365 days) from the date of allotment: 1%; If redeemed after 1 year (365 days) from the date of allotment: NIL.

For more information about fees, expenses and risks, please refer to the Scheme Information Document

Why Equity and Debt Allocation?



No One Asset Class Performs at all times



Past Performance may or may not sustain in future.

The above graph depicts 3 year CAGR rolling returns starting from 1st April 2005 to 31st May 2015. Source: Bloomberg

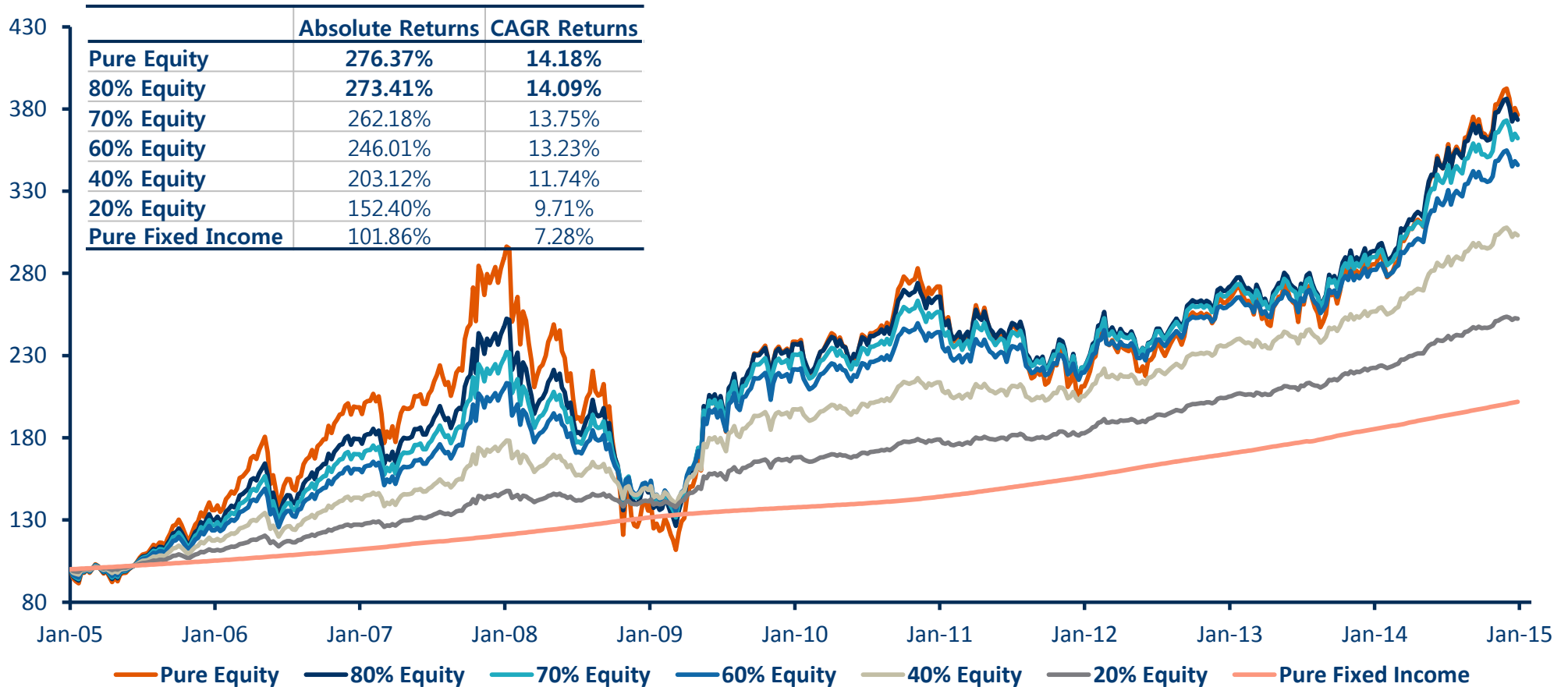
- **Balance Portfolio mirrors the Equity performance in Bull Markets but in Bear Markets of Equities they have been able to restrict the downside.**

Asset Allocation Returns - Powered by

Value Research

www.valueresearchonline.com

MIRAE ASSET
Building on principles

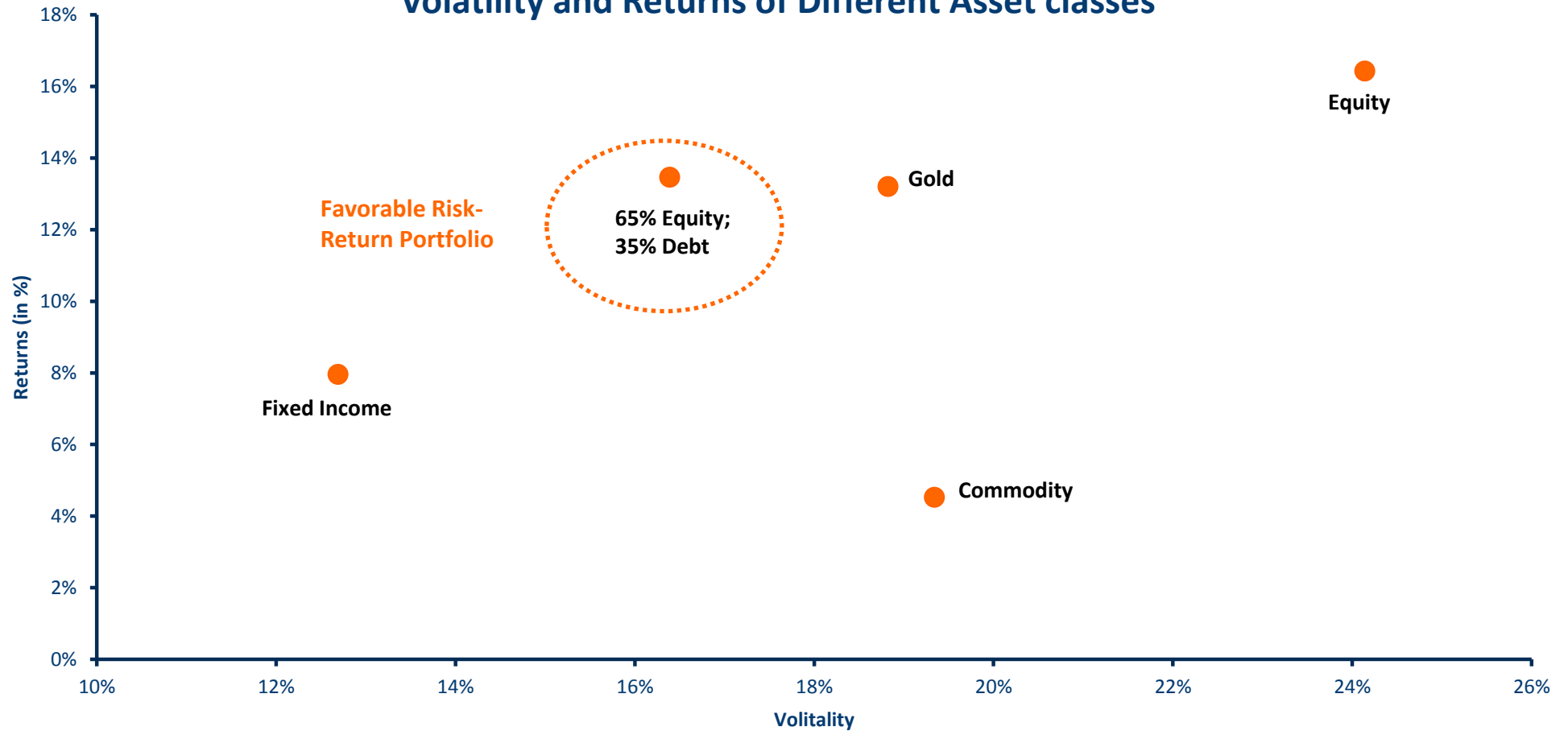


Equity part of the investment is equivalent to the BSE Sensex. Fixed income part is a representative liquid fund. Rebalancing was done at the beginning of every year by restoring both the asset classes to their desired proportion. The ten-year comparison is done with annual rebalancing.

■ **70- 80% Equity portfolios delivers similar returns as 100% Equity portfolio with lower volatility**

Balance - Risk v/s Reward

Volatility and Returns of Different Asset classes



Past Performance may or may not sustain in future. Volatility is annualized Standard deviation and Returns are in CAGR terms. The period of the same is 1st April 2002 to 31st May, 2015. Portfolio of Equity is CNX Nifty, Gold is Gold in INR terms, Fixed Income is I-Sec Composite Index and Commodity is RIC1 Commodity Index. Source: Bloomberg, 31st May 2015.

IMPRUDENT

I'M PRUDENT

Its your choice
make it a **prudent** one

Product Labelling & Disclaimer



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

- Capital appreciation along with current income over long term.
- Investment predominantly in equity and equity related instruments with balance exposure to debt and money market instruments

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



Investors understand that their principal will be at Moderately High risk

Certain information contained in this document is compiled from third party sources. Whilst Mirae Asset Global Investments (India) Private Limited has to the best of its endeavor ensured that such information is accurate, complete and up-to-date, and has taken care in accurately reproducing the information, it shall have no responsibility or liability whatsoever for the accuracy of such information or any use or reliance thereof. This document shall not be deemed to constitute any offer to sell the schemes of Mirae Asset Mutual Fund. Mirae Asset Global Investments (India) Pvt. Ltd/ Mirae Asset Trustee Co. Pvt. Ltd./ Mirae Asset Mutual Fund/ its Directors or employees accepts no liability for any loss or damage of any kind resulting out of the unauthorized use of this document. References to particular sectors, securities or companies are for general information only and are not recommendations to buy or sell a security, or an indication of the author's holdings/ portfolios of the schemes of Mirae Asset Mutual Fund at any one time.

The data mentioned are as on 23rd June, 2015.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY