



Axis Emerging Opportunities Fund – Series 1
A Close-Ended Equity Fund (1400 days)

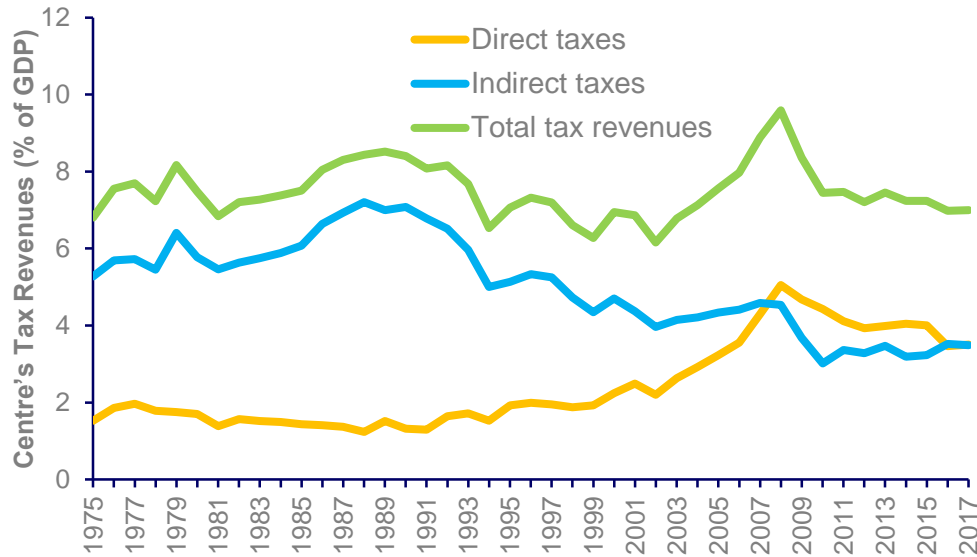
Indian Policy Update

Demonetisation & GST

Government policy changes – Get ready for structurally higher tax to GDP

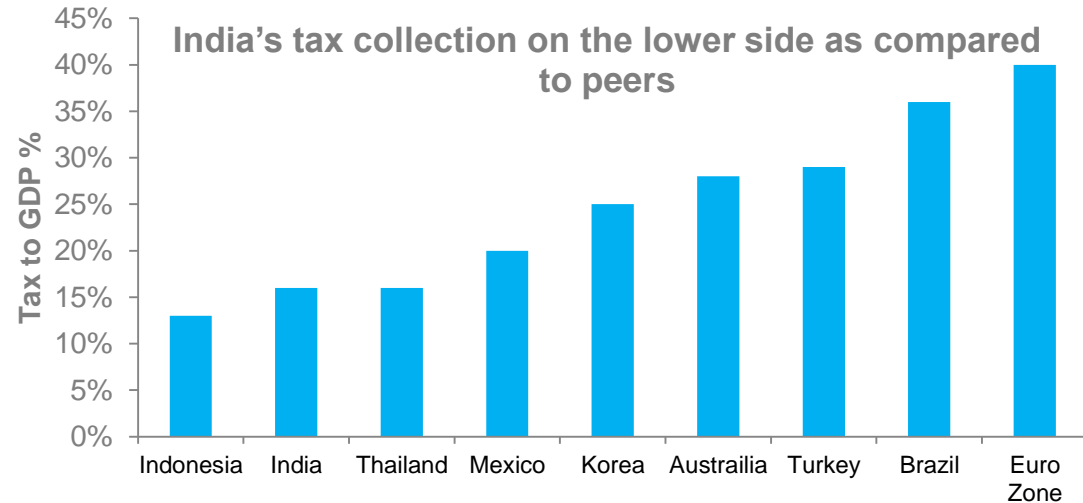


Low tax collections hurting fiscal, government's ability to spend






- Central government tax to GDP ratio has been consistently coming down post the GFC
- Shadow economy estimated to be significant fraction of the reported economy

Source: CLSA, RBI. Note that tax revenues are net of state government's share.



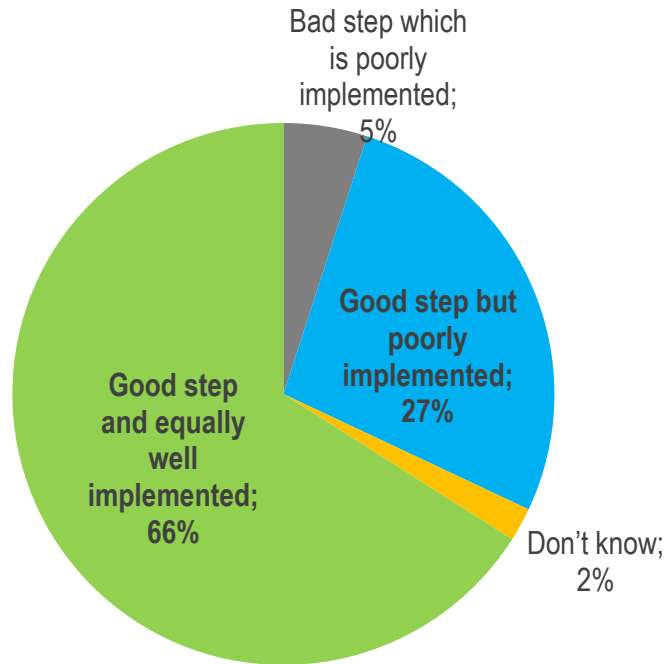
Source: CMIE, World Bank, India's tax collection is for centre and states combined

Demonetisation : Long term growth unlikely to be affected

Area of Impact	View
 <p>Economic Growth</p>	<ul style="list-style-type: none">• Anecdotal evidence suggests consumer demand has taken a hit.• Discretionary spends likely to be hit more than staples• However impact likely to be short term in nature should normalize over 1-2 quarters• Timing of recovery will depend on how quickly liquidity gets normalized• Long term growth unlikely to be affected
 <p>Liquidity & Interest Rates</p>	<ul style="list-style-type: none">• Huge jump in banking system liquidity part of it temporary but part likely sustainable• It is leading to a sharp drop in yields in the short term• Yields are also reacting to the fears of a sharp slowdown in economic activity which may lead to more aggressive rate cuts by the RBI
 <p>Fiscal Situation</p>	<ul style="list-style-type: none">• Tax to GDP expected to get a boost over the medium term, to help government finances• Government likely to carry out some fiscal stimulus to tide over the short term growth impact of the move

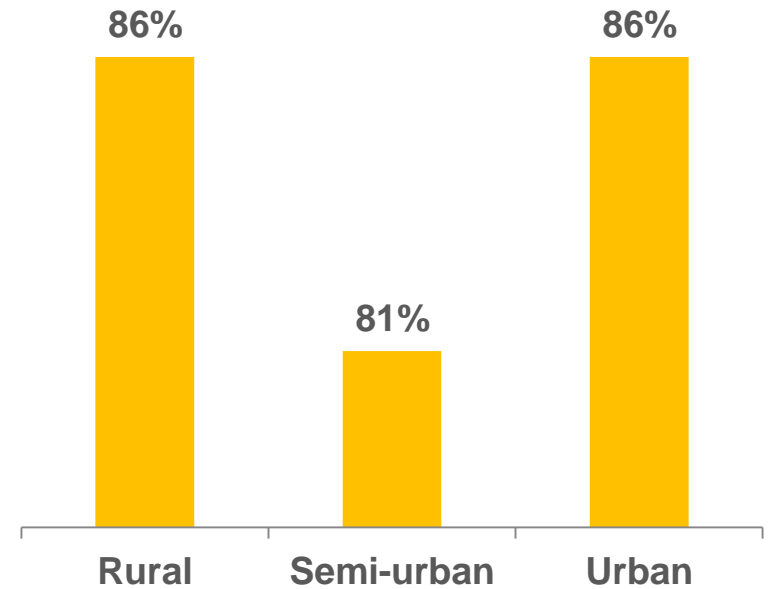
Demonetisation seems popular with people despite execution challenges

What is your overall opinion of Demonetisation?



Source: CLSA, C-Voter, Huff Post

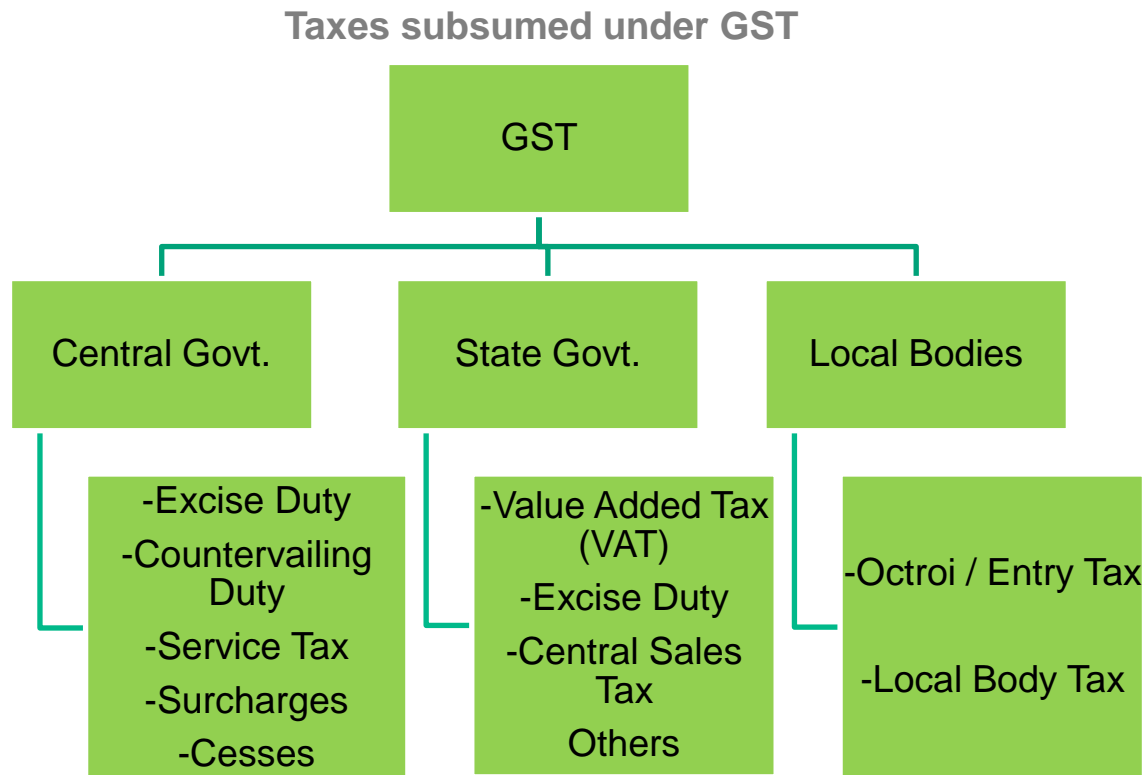
Is the inconvenience worth the effort? 'Yes'



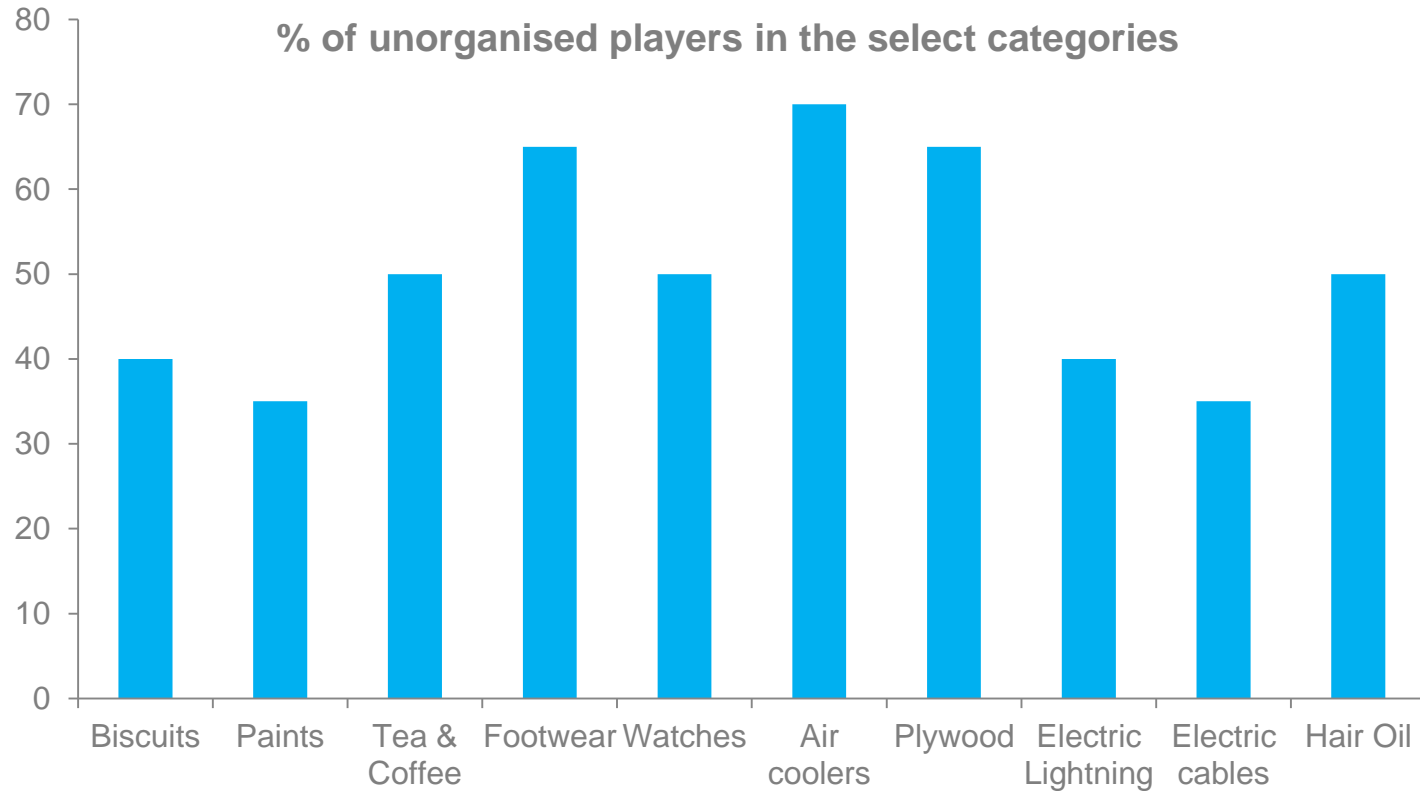
Source: CLSA, C-Voter (Report : Demonetisation Reset)

GST in final stages; Consensus on the rate slabs/cess

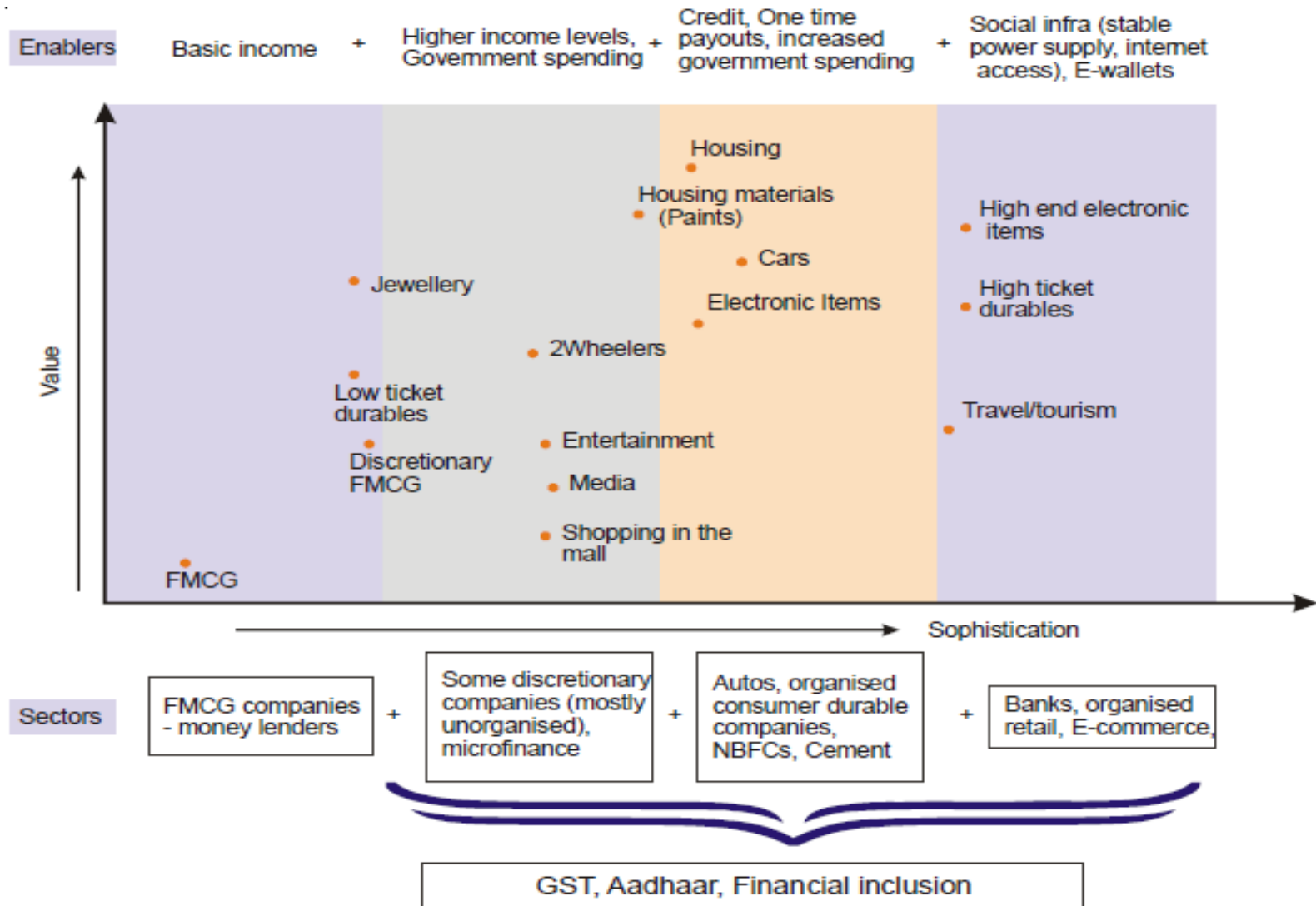
- Consensus on the rate slabs/cess is a big step forward
- GST Council has finalized GST rate slabs – exempt, 0%, 5%, 12%, 18% and 28%
- Technical committee comprising central government and state government officials to finalize the allocation of items into different rate categories



Organized players to gain post GST



Consumption landscape – Impact of Demonetisation/GST



Indian Economy

Key drivers

India's macro conditions vastly improved – not getting impacted by the global post Trump sell-off

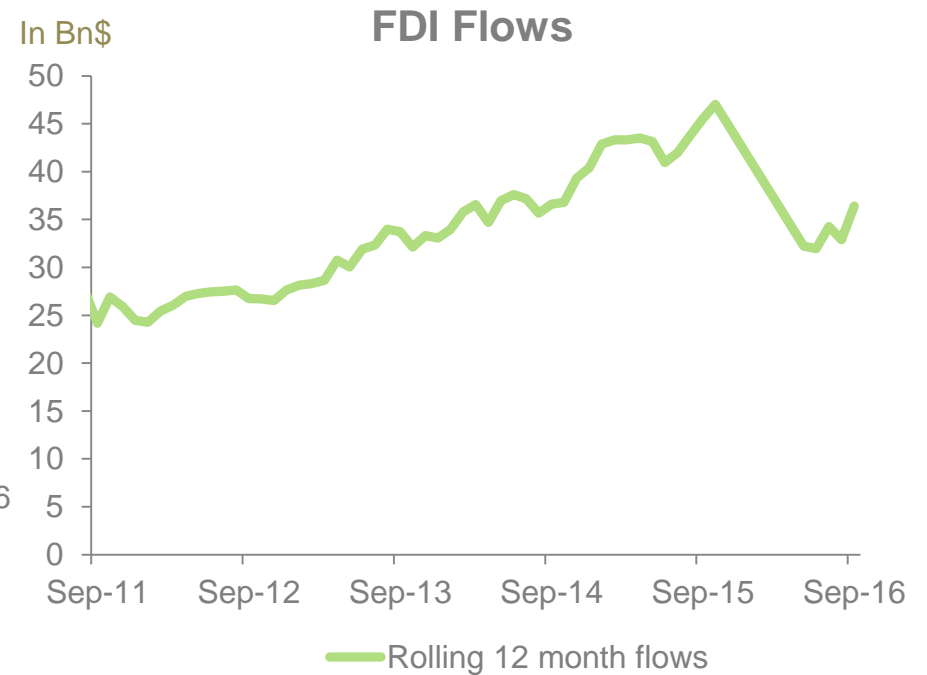
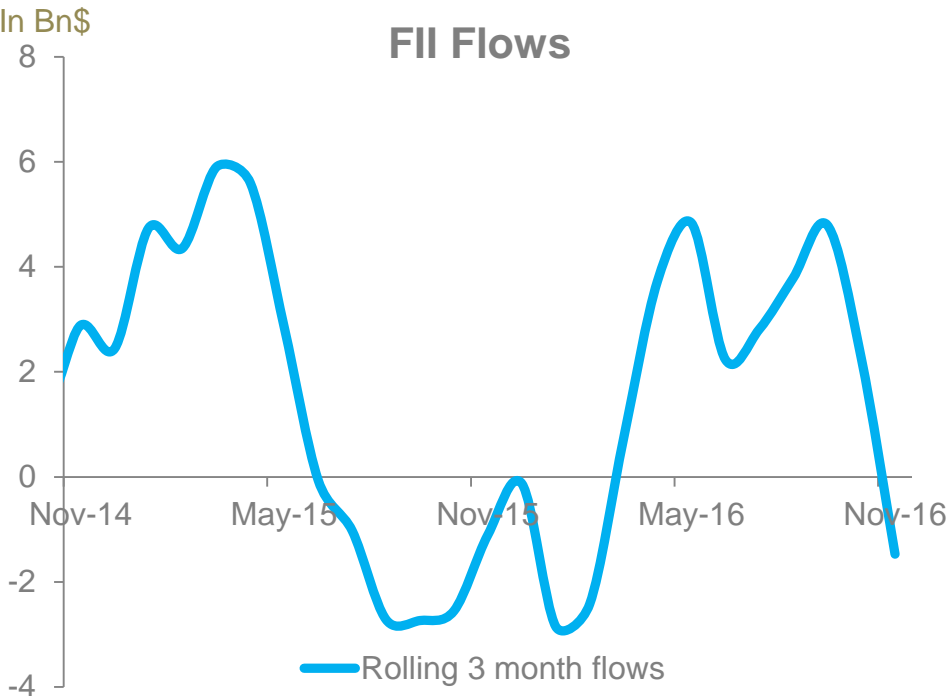
	Post Global recession (2010)	Taper crisis (2013)	Current (Nov-16)
GDP*	8.5%	5.1%	7.1%
CPI Inflation	9.4%	9.5%	4.2%
FX Reserves (\$bn)	297.3	275.5	365.5
Current Account Deficit	-3.3%	-4.7%	0.1%
Fiscal deficit Target	-6.5%	-4.8%	-3.5%
Crude Oil (per barrel)	\$94	\$116	\$46.6

Source of data: ACEMF, Bloomberg, RBI, BIS

2010 refers to Dec 31st 2010, 2013 refers to 31st Aug 2013 and current refers to latest data available as on November 28th, 2016

* GDP New Series . Figure for annual GDP growth

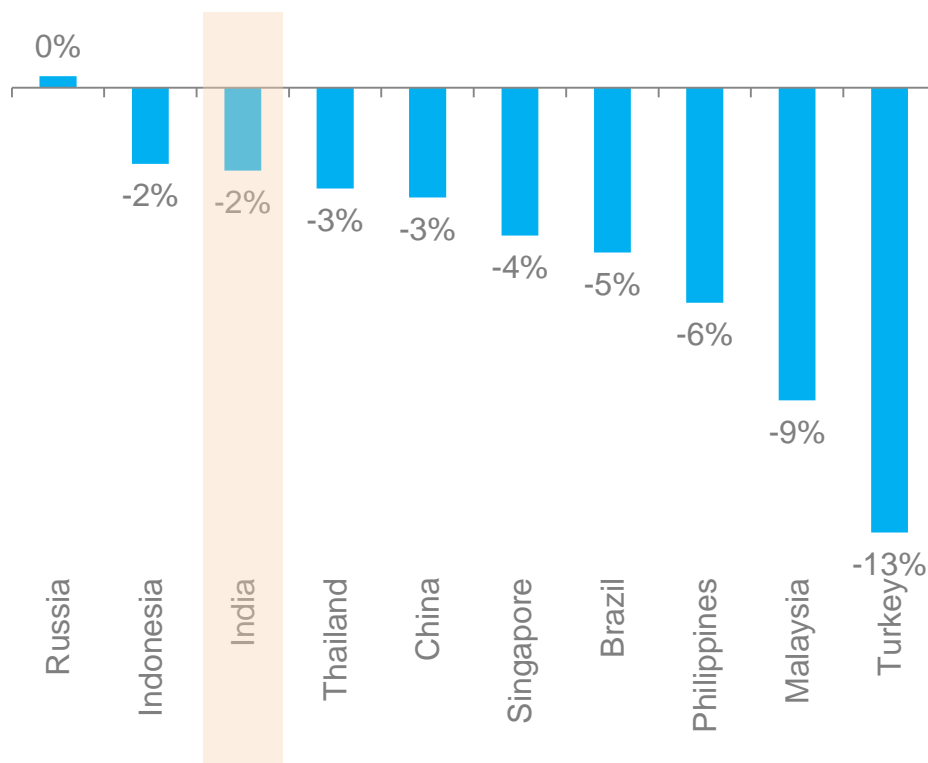
Foreign Flows have been strong – although recent months have seen some FII selling



India resilient against the global risk-off trade

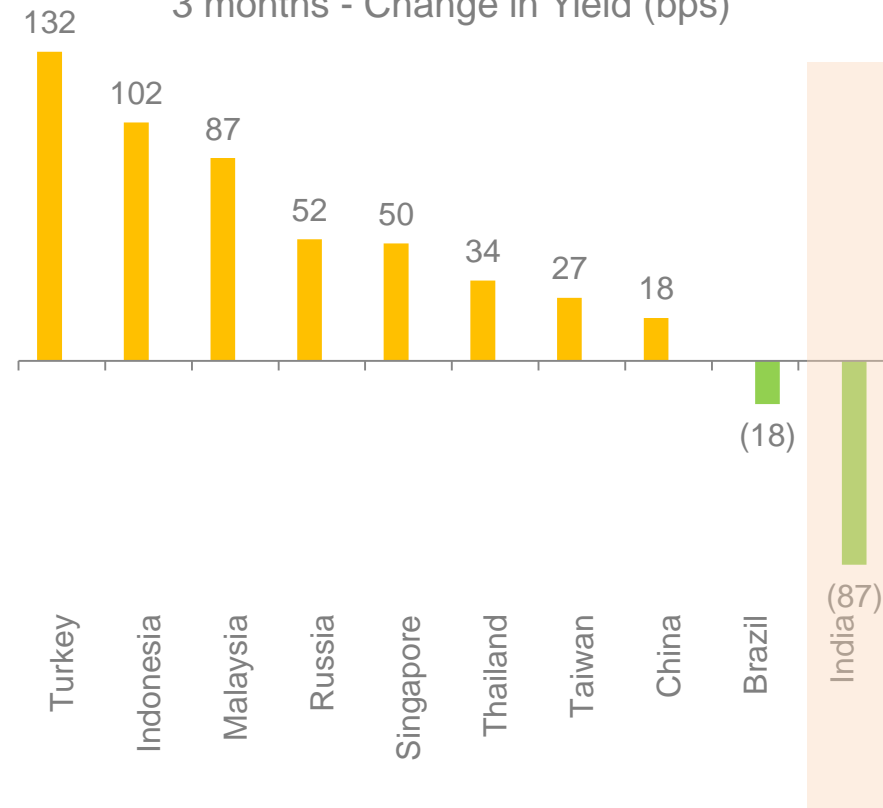
Currency performance

Currency v/s US Dollar (3m change)



Change in 10 yr yields

3 months - Change in Yield (bps)



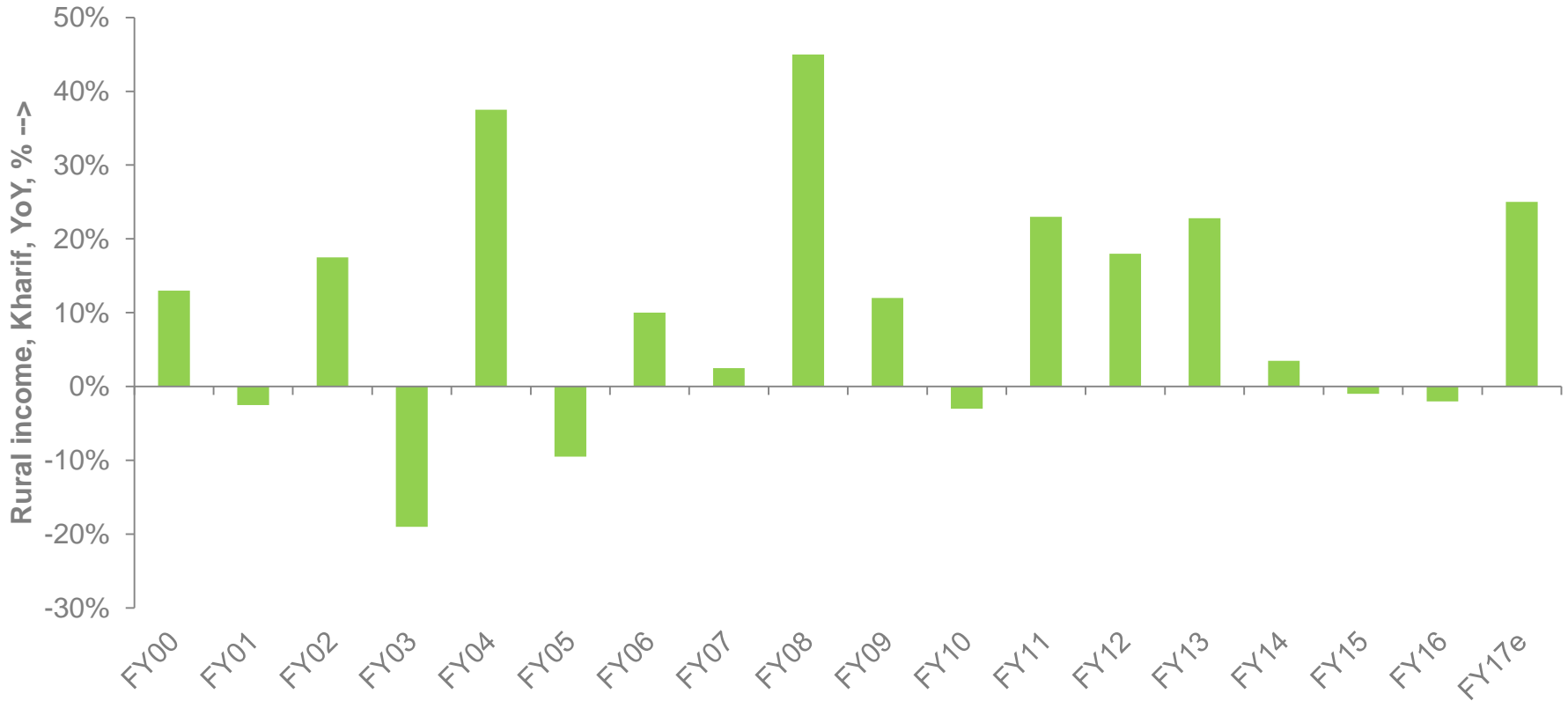
India, fastest riser on Global Competiveness Index

Country	Global Rank*
Switzerland	1
Singapore	2
United States	3
Netherlands	4
Germany	5
Sweden	6
United Kingdom	7
Japan	8
Hong Kong SAR	9
Finland	10
India	39

**Fastest riser ,
Moved from
Rank 55
(in 2015-2016)**

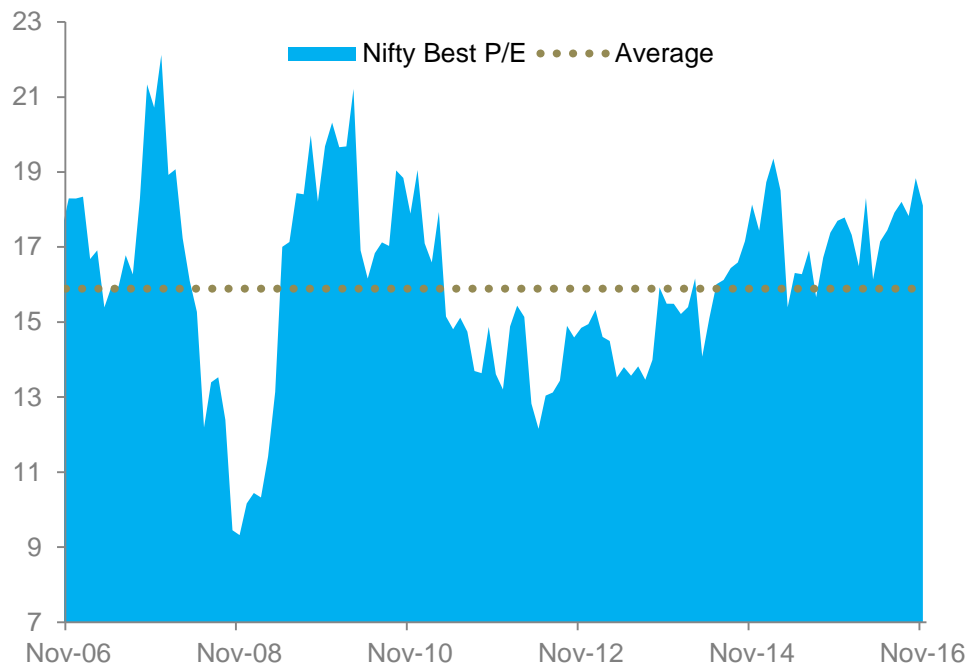
Rural incomes to be helped by record farm production

Rural agri incomes expected to rise on the back of higher kharif production

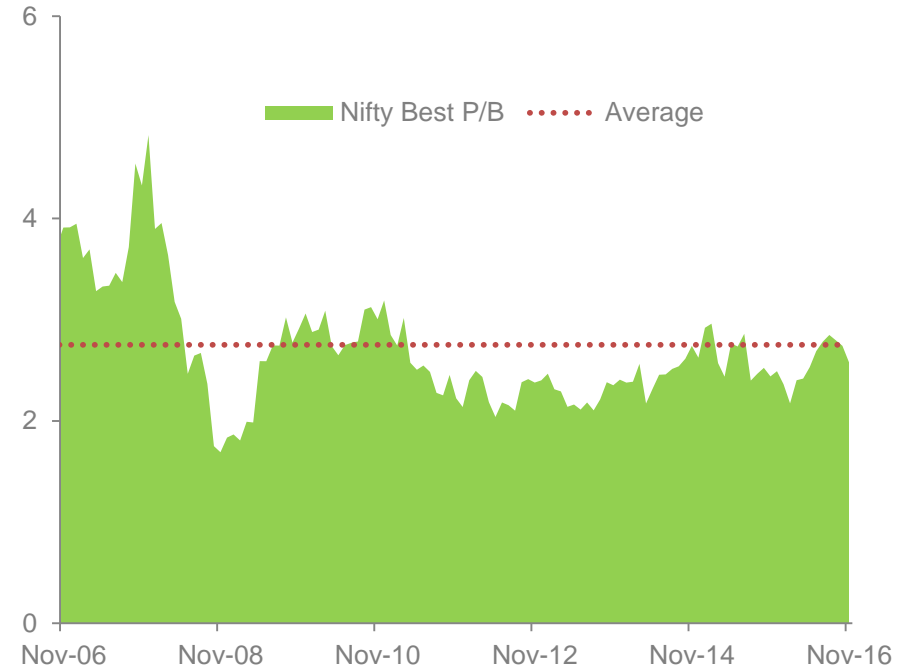


Valuations broadly reasonable

Nifty 50 Index Forward P/E




Nifty 50 Index Forward P/B



Market downturns are often followed by improved returns

S&P BSE Sensex yearly returns

		1997				
		2010				
		1994				
		1989				
	1986	2004				
	1996	2013	1992	1981	1985	
2000	2015	1984	1990	1988	1991	
1995	1987	1983	2014	2007	2009	
2011	1998	1982	1993	2006	2003	
2008	2001	2002	2012	2005	1999	
-20 and less	-20 to 0	0 to 20	20 to 40	40 to 60	60+	

 Less than -20% annual returns

 Years following the worst

Source of data: Bloomberg. Sensex yearly returns. **Past performance may or may not be sustained in future.**

Why close ended equity?

Why Close-ended Equity?

- Long term orientation for both investors and fund manager
- No liquidity pressure on the portfolio
- Works ideally for a buy and hold type strategy
- Long term investment in true sense with potential of wealth creation

Intermediate corrections – Good to remove froth

Sensex Bull Run 2005 - 08

Rally	Apr 05 to Oct 05	41.7%
<i>Sensex</i>	6157 → 8724	
Correction	Oct 05 to Oct 05	11.9%
<i>Sensex</i>	8724 → 7686	
Rally	Oct 05 to May 06	64.1%
<i>Sensex</i>	7686 → 12612	
Correction	May 06 to Jun 06	29.2%
<i>Sensex</i>	12612 → 8929	
Rally	Jun 06 to Feb 07	64.1%
<i>Sensex</i>	8929 → 14652	
Correction	Feb 07 to Mar 07	14.1%
<i>Sensex</i>	14652 → 12580	
Rally	Mar 07 to Jul 07	25.4%
<i>Sensex</i>	12580 → 15776	
Correction	Jul 07 to Aug 07	10.2%
<i>Sensex</i>	15776 → 14164	
Rally	Aug 07 to Jan 08	47%
<i>Sensex</i>	14164 → 20827	

Bull Run Ends

Sensex Bull Run 2014 - 15

Rally	Feb 14 to Nov 14	42%
<i>Sensex</i>	20209 → 28694	
Correction	Nov 14 to Dec 14	6.9%
<i>Sensex</i>	28694 → 26710	
Rally	Dec 14 to Jan 15	11.1%
<i>Sensex</i>	26710 → 29682	
Correction	Apr 15 to May 15	8.4%
<i>Sensex</i>	29044 → 26599	

For a long term investment, interim volatility in the market can be beneficial in terms of removing the unviable companies and hence helping quality companies gain market share in their respective segment.

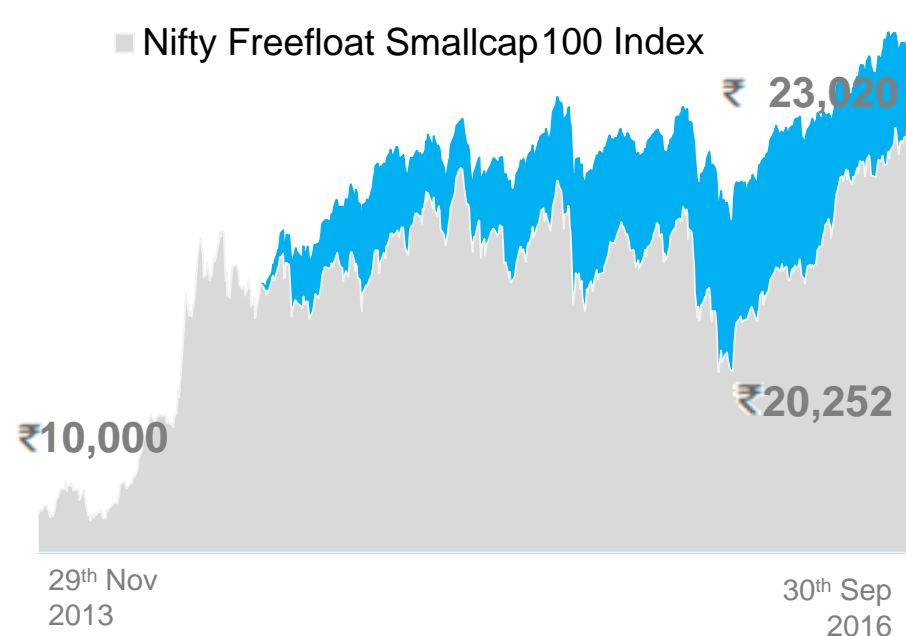
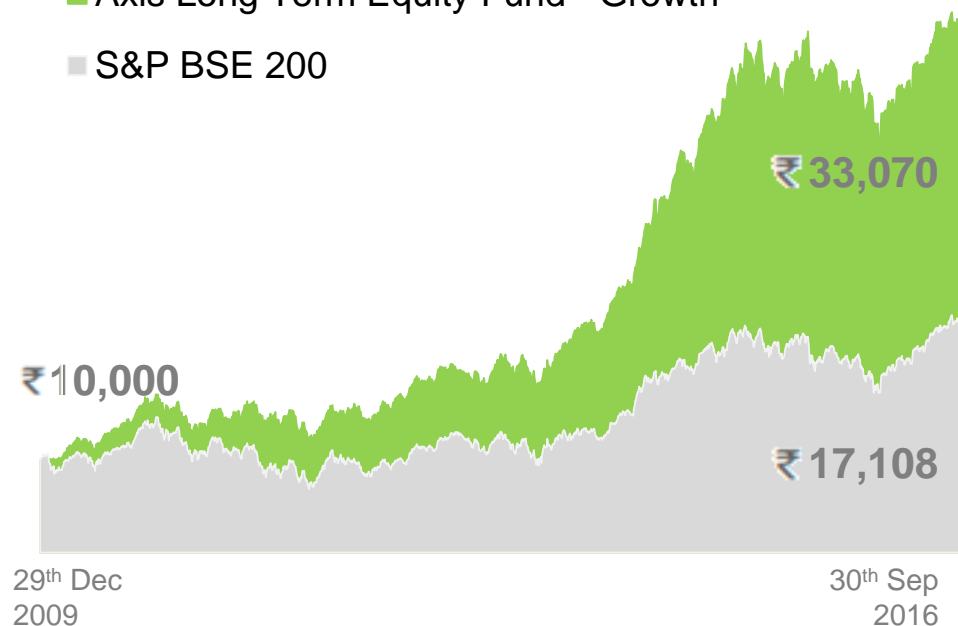
Our experience in similar structures

■ Axis Long Term Equity Fund - Growth*

■ S&P BSE 200

■ Axis Small Cap Fund - Growth

■ Nifty Freefloat Smallcap 100 Index



Past performance may or may not be sustained in future. Calculations are based on Growth Option NAV. Since Inception returns are calculated on Rs.10 invested at inception.

* Open ended equity linked savings scheme with a 3 yr lock-in. Axis Long Term Equity Fund is managed by Jinesh Gopani. He manages 3 funds. Please refer annexure for the performance of schemes managed by Jinesh Gopani. Current value of investment if Rs. 10,000 was invested on inception date – Rs. 33,070, S&P BSE 200 Rs. 17,108 Nifty Rs. 16,598.

Axis Small Cap Fund is managed by Anupam Tiwari. He manages 2 schemes. Please refer for performance of schemes managed by Anupam Tiwari. Current value of investment if Rs. 10,000 was invested on inception date – Rs. 23,020, Nifty Free Float Small Cap 100 Index Rs. 20,252 & Nifty Rs. 13,986.

Performance of schemes managed by Mr. Anupam Tiwari & Mr. Jinesh Gopani in SEBI format is given at the end of the presentation for reference of investors

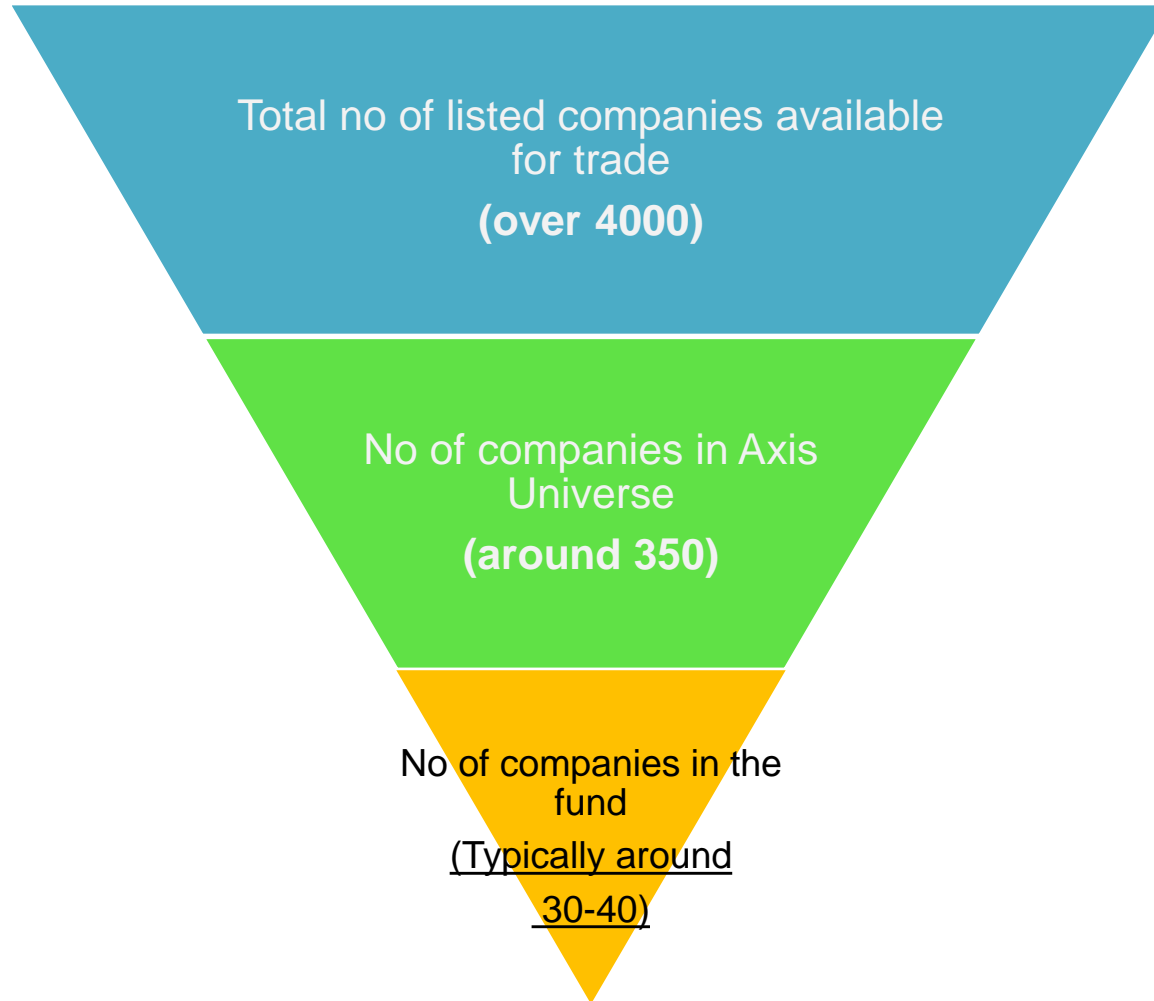
Axis Emerging Opportunities Fund – Series 1 (1400 days)

Equity Investment Approach

Will create a diversified portfolio of companies that are expected to see a boost in growth over the medium term and/or which are taking advantage of ongoing market dislocations

- Established businesses (typically around 60%) will aim for stable growth with lower risk
- Growth Companies (typically around 40%) will target potential higher growth opportunities

Stock Selection



Source of data: BSE India (<http://www.bseindia.com/>), Data as on 30th Nov 2016. The above mentioned numbers are indicative. The portfolio allocation is based on the prevailing market conditions and is subject to change depending on the fund management view. The scheme may invest as per investment objective & strategy in scheme information document.

Quick Glance at features

Scheme Name	Axis Emerging Opportunities – Series 1 (1400 days)
Type	Closed ended scheme (1400 days)
Benchmark	S&P BSE Midcap Index
NFO Period	December 09, 2016 to December 23, 2016
Fund Manager	Anupam Tiwari & Jinesh Gopani
Investment approach	Buy & Hold Strategy: Aim to invest in companies that can deliver substantial growth over medium to long term period.
No of stocks*	Typically around 30-40

**The above mentioned numbers are indicative. The portfolio allocation is based on the prevailing market conditions and is subject to change depending on the fund management view. The scheme may invest as per investment objective & strategy in scheme information document.*

Annexure

	Sept 30, 2013 To Sept 30, 2014	Sept 30, 2014 To Sept 30, 2015	Sept 30, 2015 To Sept 30, 2016	Since Inception	Current Value of Investment if ₹ 10,000 was invested on inception date	Date of Inception
	Absolute Return	Absolute Return	Absolute Return	CAGR		
Anupam Tiwari						
Axis Equity Saver Fund - Growth#	-	-	5.62%	4.67%	10,530	14-Aug-15
CRISIL MIP Blended Index (Benchmark)	-	-	11.17%	10.32%	11,176	
Nifty 50 (Additional Benchmark)	-	-	8.33%	0.96%	10,109	
Axis Equity Saver Fund - Direct Plan - Growth #	-	-	6.91%	5.99%	10,680	14-Aug-15
CRISIL MIP Blended Index (Benchmark)	-	-	11.17%	10.32%	11,176	
Nifty 50 (Additional Benchmark)	-	-	8.33%	0.96%	10,109	
Axis Small Cap Fund - Growth	-	15.39%	13.96%	32.46%	22,210	29-Nov-13
Nifty Free Float Smallcap 100 (Benchmark)	-	5.87%	17.27%	26.01%	19,276	
Nifty 50 (Additional Benchmark)	-	-0.20%	8.33%	12.42%	13,943	
Axis Small Cap Fund - Direct Plan - Growth	-	16.59%	15.28%	33.96%	22,930	29-Nov-13
Nifty Free Float Smallcap 100 (Benchmark)	-	5.87%	17.27%	26.01%	19,276	
Nifty 50 (Additional Benchmark)	-	-0.20%	8.33%	12.42%	13,943	
Jinesh Gopani						
Axis Long Term Equity Fund - Growth*	76.27%	17.99%	8.00%	19.36%	33,070	29-Dec-09
S&P BSE 200 (Benchmark)	42.50%	3.08%	10.96%	8.27%	17,108	
Nifty 50 (Additional Benchmark)	38.87%	-0.20%	8.33%	7.79%	16,598	
Axis Long Term Equity Fund - Direct Plan - Growth*	78.66%	19.47%	9.20%	25.15%	23,182	1-Jan-13
S&P BSE 200 (Benchmark)	42.50%	3.08%	10.96%	11.83%	15,205	
Nifty 50 (Additional Benchmark)	38.87%	-0.20%	8.33%	10.36%	14,470	
Axis Income Saver - Growth#	20.67%	9.37%	7.61%	8.76%	16,855	16-Jul-10
Crisil MIP Blended Fund Index (Benchmark)	15.45%	10.72%	11.17%	8.84%	16,926	
Crisil 10 Year Gilt Index (Additional Benchmark)	6.85%	13.76%	11.11%	7.25%	15,450	
Axis Income Saver - Direct Plan - Growth#	22.58%	11.00%	9.35%	11.60%	15,077	4-Jan-13
Crisil MIP Blended Fund Index (Benchmark)	15.45%	10.72%	11.17%	9.89%	14,229	
Crisil 10 Year Gilt Index (Additional Benchmark)	6.85%	13.76%	11.11%	8.03%	13,351	
Axis Focused 25 Fund - Growth	37.04%	12.74%	14.06%	17.39%	19,790	29-Jun-12
Nifty 50 (Benchmark)	38.87%	-0.20%	8.33%	12.18%	16,312	
S&P BSE 200 (Additional Benchmark)	42.50%	3.08%	10.96%	13.89%	17,397	
Axis Focused 25 Fund - Direct Plan - Growth	38.52%	14.35%	15.45%	16.55%	17,753	1-Jan-13
Nifty 50 (Benchmark)	38.87%	-0.20%	8.33%	10.36%	14,470	
S&P BSE 200 (Additional Benchmark)	42.50%	3.08%	10.96%	11.83%	15,205	

*An open ended equity linked savings scheme with a 3 year lock-in. **Past performance may or may not be sustained in future.** Calculations are based on Growth Option NAV. #Scheme Performance may not be strictly comparable with that of its additional benchmark in view of hybrid nature of the scheme. The above data excludes performance of all the schemes which have not completed a year. Since inception returns are calculated at Rs. 10 invested at inception.

Product Label

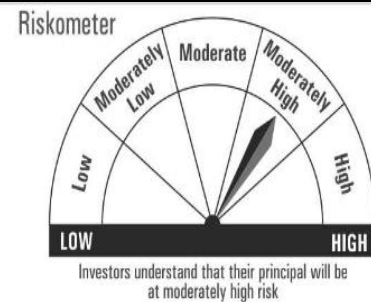
AXIS EMERGING OPPORTUNITIES FUND - SERIES 1 (1400 DAYS)

(A close ended equity scheme)

This product is suitable for investors who are seeking*

- Capital appreciation over long term
- Investment in a diversified portfolio of equity and equity related instruments of midcap Companies.

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

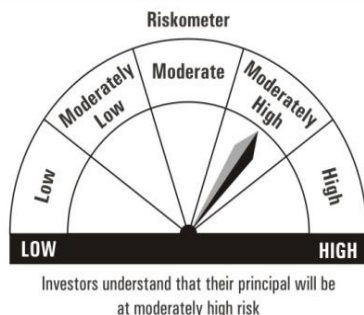


Axis Equity Fund (an open-ended growth scheme)

This product is suitable for investors who are seeking*:

- capital appreciation over long term
- investment in a diversified portfolio predominantly consisting of equity and equity related instruments

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

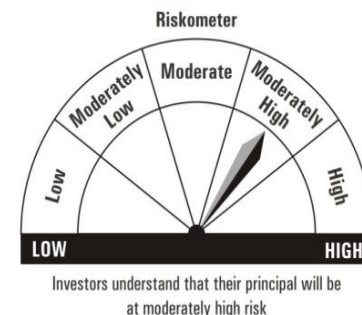


Axis Long Term Equity Fund (an open-ended equity linked savings scheme with a 3 year lock-in)

This product is suitable for investors who are seeking*:

- capital appreciation & generating income over long term
- investment in a diversified portfolio predominantly consisting of equity and equity related instruments

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

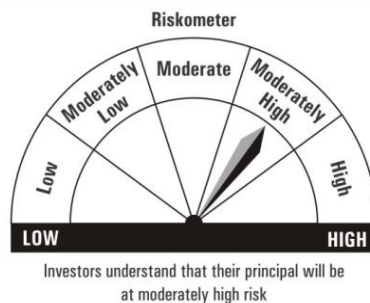


Axis Small Cap Fund (Five year close ended equity scheme)

This product is suitable for investors who are seeking*:

- capital appreciation over long term
- investment in a diversified portfolio predominantly equity and equity related instruments of small cap companies

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

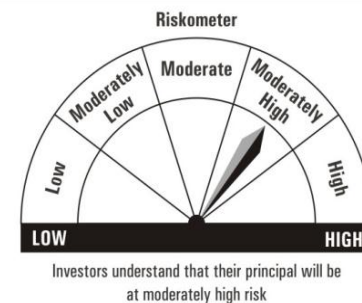


Axis Midcap Fund (an open-ended equity scheme)

This product is suitable for investors who are seeking*:

- capital appreciation over long term
- investing predominantly in equity & equity related instruments of mid size companies with focus on relatively larger companies within this category

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



Statutory Details and Risk Factors

Disclaimer: Past performance may or may not be sustained in the future. Sector(s) / Stock(s) / Issuer(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the stock mentioned, from time to time. Investors are requested to consult their financial, tax and other advisors before taking any investment decision(s).

Statutory Details: Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to Rs. 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Ltd. **Investment Manager:** Axis Asset Management Co. Ltd. (the AMC) **Risk Factors:** Axis Bank Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme.

This document represents the views of Axis Asset Management Co. Ltd. and must not be taken as the basis for an investment decision. Neither Axis Mutual Fund, Axis Mutual Fund Trustee Limited nor Axis Asset Management Company Limited, its Directors or associates shall be liable for any damages including lost revenue or lost profits that may arise from the use of the information contained herein. No representation or warranty is made as to the accuracy, completeness or fairness of the information and opinions contained herein. The AMC reserves the right to make modifications and alterations to this statement as may be required from time to time.

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

Data updated as on 30th Nov 2016