

NFO Period: March 8, 2016 to March 22, 2016

DSP BLACKROCK

EQUITY SAVINGS

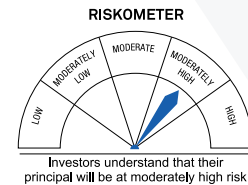
FUND

AN OPEN ENDED EQUITY SCHEME

This open ended equity Scheme is suitable for investors who are seeking*:

- ▶ Long term capital growth and income
- ▶ Investment in equity and equity related securities including the use of equity derivatives strategies and arbitrage opportunities with balance exposure in debt and money market instruments

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



Why combine equity and debt?

Equity as an asset class typically outperforms fixed income over a longer term

However, equity also carries the risk of losing capital in the shorter term

A portfolio comprising of equity and debt can provide moderate growth while limiting potential losses

Such a portfolio could deliver returns greater than fixed income while taking risk lesser than equity

A portfolio with both equity and debt could help an investor access benefits of two asset classes at the same time

Why combine equity and debt?

2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
8.7%	31.4%	9.0%	27.7%	8.1%	17.9%	75.8%	9.5%	54.8%	39.8%	36.3%
8.2%	16.8%	8.3%	12.1%	7.8%	7.0%	13.0%	8.4%	13.5%	9.1%	9.2%
6.8%	10.5%	6.8%	9.1%	1.7%	5.1%	6.6%	-2.3%	8.0%	5.9%	4.6%
-4.1%	9.2%	4.4%	8.5%	-24.6%	4.7%	4.9%	-51.8%	7.6%	5.5%	4.5%

NIFTY 50

CRISIL Liquid Fund Index

CRISIL Short Term Bond Fund Index

CRISIL MIP Blended Index

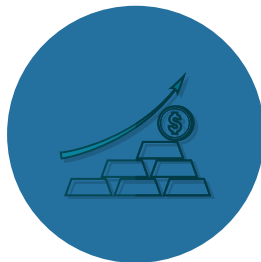
Source: NSE, CRISIL

A hybrid portfolio with equity and debt could help provide moderate returns with relatively low risk

What is DSP BlackRock Savings Fund?



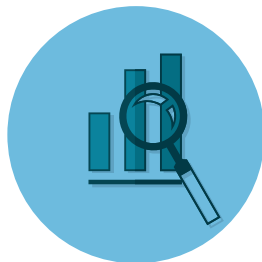
A portfolio with a combination of equity, arbitrage and fixed income securities



Equity portion aims to provide capital growth



Arbitrage portion helps in providing income and equity exposure



Debt portion provides stability in returns and low volatility



Better tax efficiency than pure debt funds

DSP BlackRock Equity Savings Fund = Equity + Arbitrage + Fixed Income

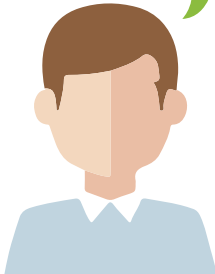
DSP BlackRock Equity Savings Fund can find a place in core portfolios of most investors

DSP BlackRock equity savings fund is suitable for you, if you are any of the following

Seeking stability of fixed income with growth potential of equity



Seeking tax efficient returns with moderate equity exposure



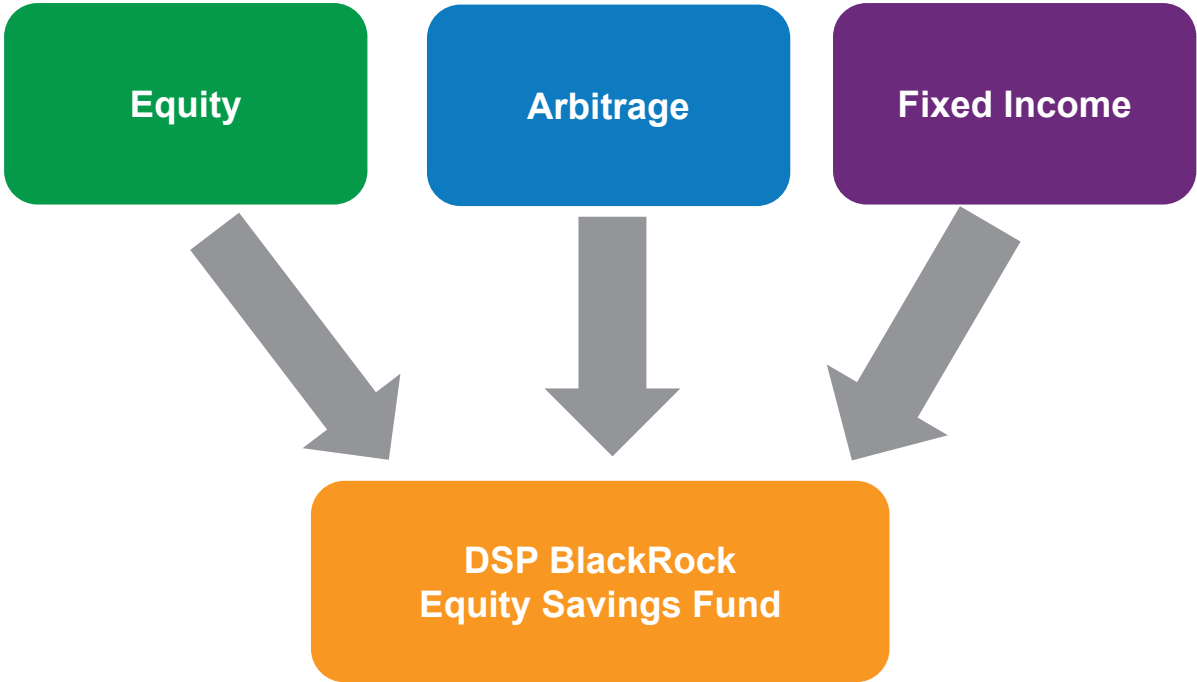
Retired and seeking moderate returns with relatively lower risk



A first time investor

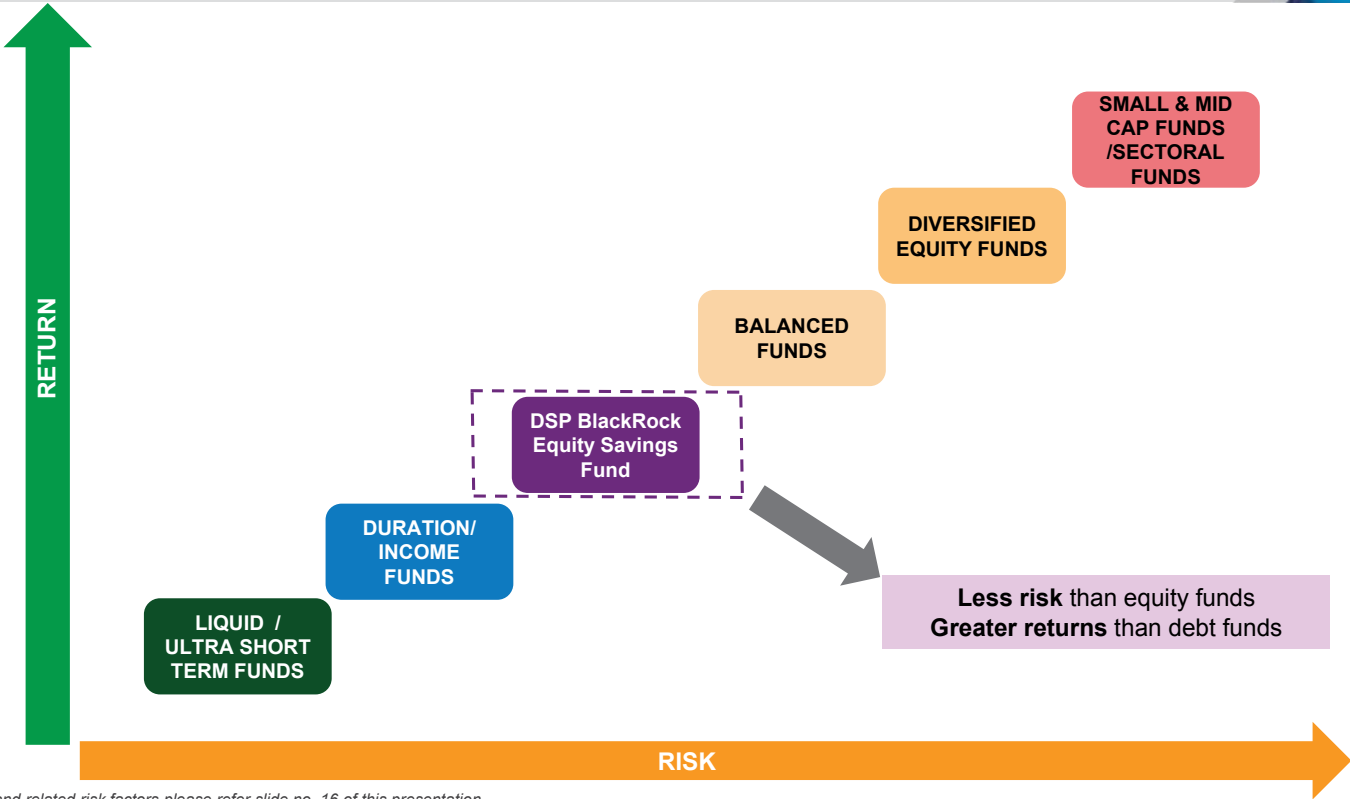


Introducing DSP BlackRock Equity Savings Fund



DSP BlackRock Equity Savings Fund aims to provide you with the best of both worlds: Equity and Fixed Income

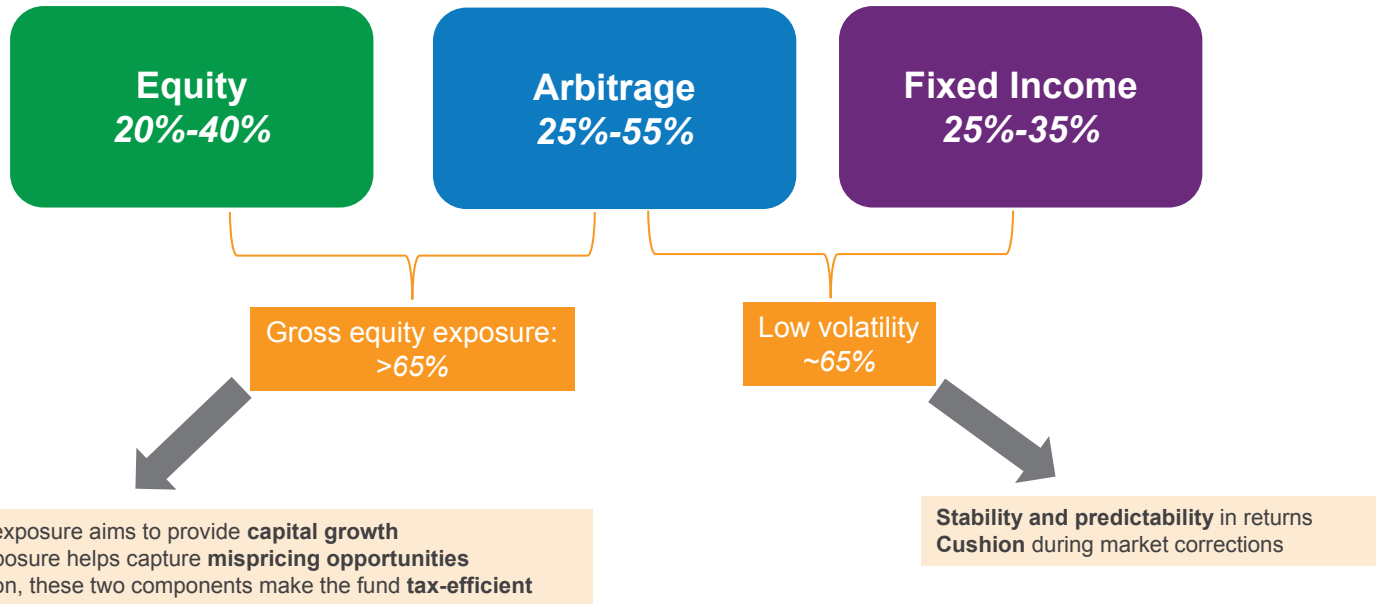
DSP BlackRock Equity Savings Fund : Risk - Return profile



For disclaimer and related risk factors please refer slide no. 16 of this presentation

DSP BlackRock Equity Savings Fund's risk/return profile is similar to Monthly Income Plans

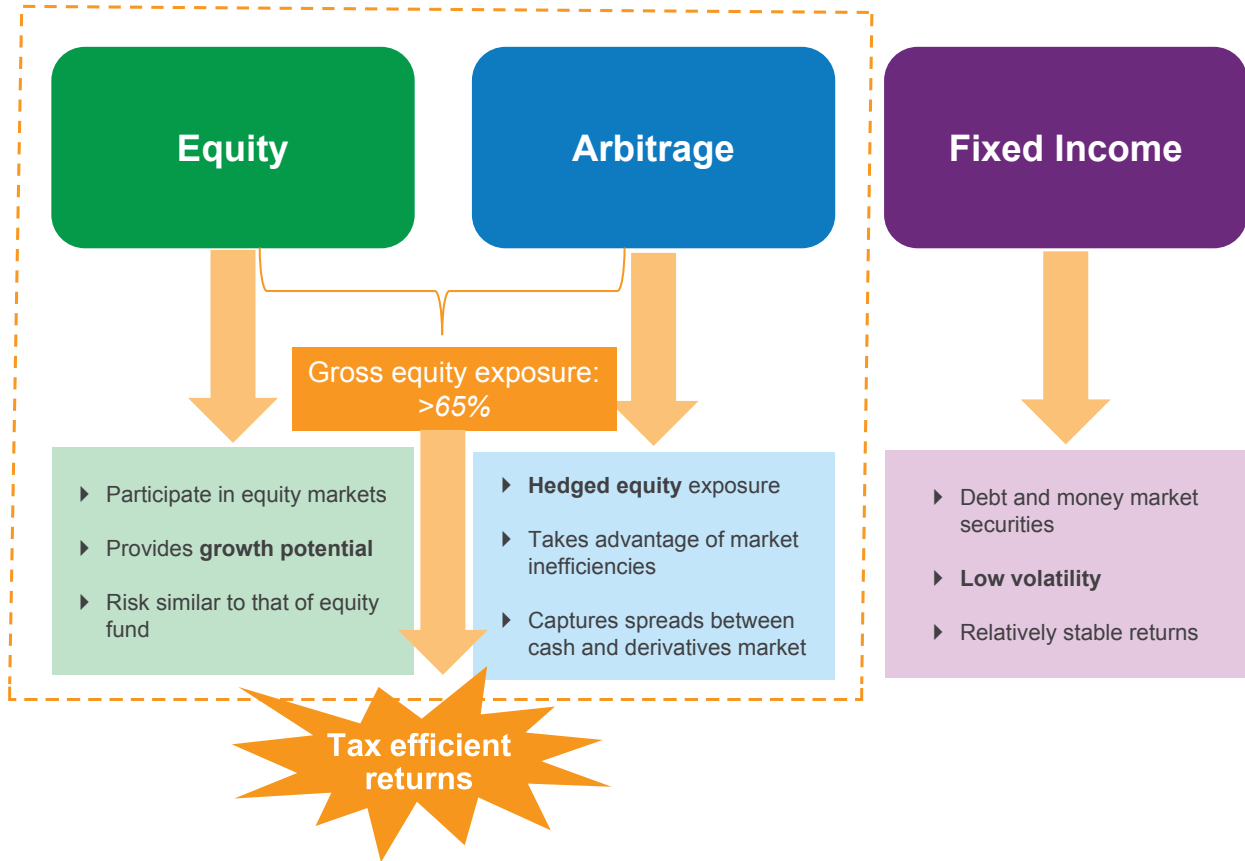
Product construct

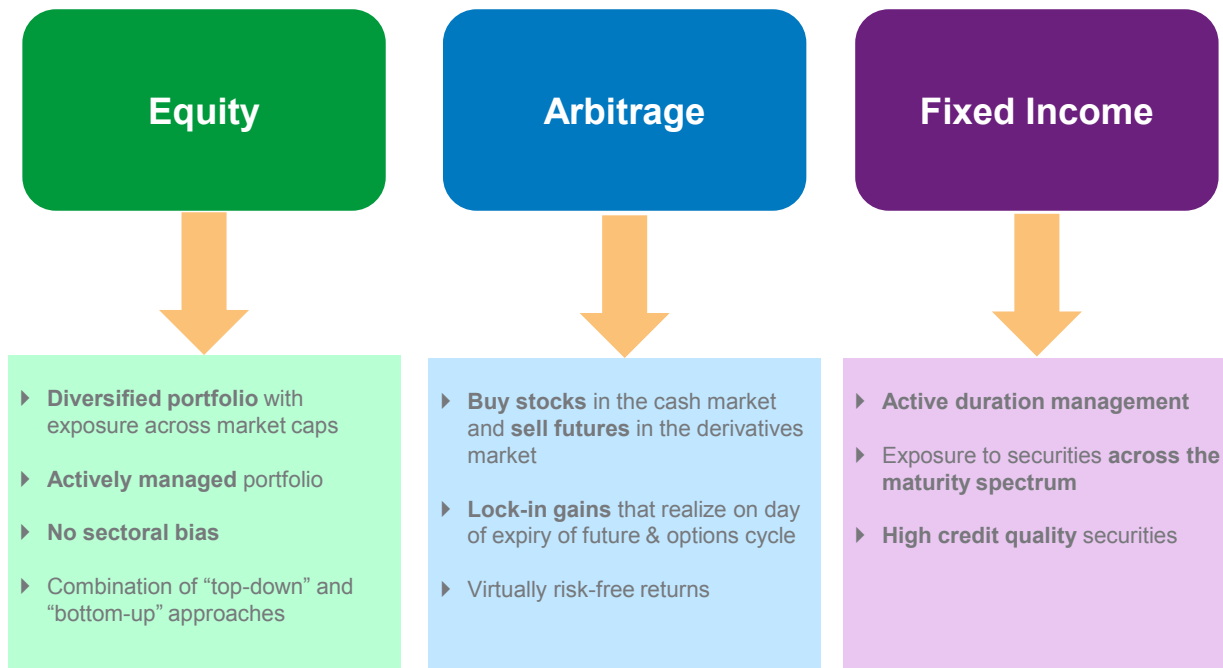


Please refer slide no. 16 for complete asset allocation of the Scheme.

A diligent mix of three strategies helps provide capital appreciation while restricting portfolio downside

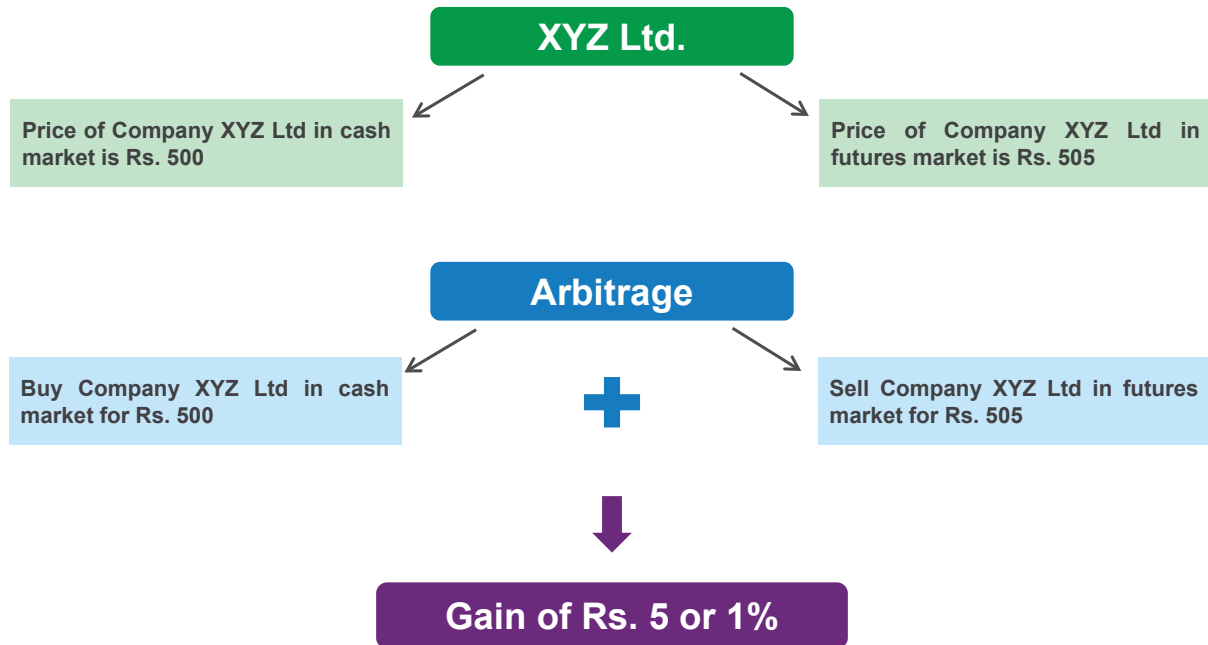
How does the Scheme work?





Example of Arbitrage

Working of a Cash Future Arbitrage Strategy



The above is only for the purpose of illustration. This example assumes the transaction cost to be zero. In practice, there is a cost of executing the arbitrage transaction (eg: STT and brokerage charges)

Tax treatment

Capital Gains:

For holding period of more than one year – NIL capital gains tax
 For holding period of less than one year – 15% capital gains tax

Dividends: Tax free[^]

Comparison of tax treatment with other investment options (holding period of more than one year)

	Taxation in a fixed income mutual fund	Taxation in DSP BlackRock Equity Savings Fund	How will a fixed income mutual fund have to perform in order to generate similar post tax return?
Investment amount (Rs.)	1000	1000	1000
Annual return (%)	10%	10%	15.15%
Gross proceeds (Rs.)	1100	1100	1151.5
Taxable income (Rs.)	100	100	151.5
Applicable tax rate (%) [*]	33.99%	0%	33.99%
Tax payable (Rs.)	33.99	0	51.5
Post tax gains (Rs.)	66.01	100	100
Post tax return (%)	6.6%	10.0%	10.0%

^{*}Applicable tax rate for an investor in the highest tax bracket. [^]As per prevailing tax laws; Dividends will be declared subject to availability of distributable surplus

The fund's tax treatment is at par with other equity funds (i.e. NIL tax if investment held for more than one year)

Scenario Analysis

Performance of a hybrid portfolio under various scenarios of equity, arbitrage and fixed income markets

Scenario Analysis		Equity portion returns (25% weight)										
		25%	20%	15%	10%	5%	0%	-5%	-10%	-15%	-20%	-25%
Arbitrage + Fixed Income returns (75% weight)	11%	14.5%	13.3%	12.0%	10.8%	9.5%	8.3%	7.0%	5.8%	4.5%	3.3%	2.0%
	10%	13.8%	12.5%	11.3%	10.0%	8.8%	7.5%	6.3%	5.0%	3.8%	2.5%	1.3%
	9%	13.0%	11.8%	10.5%	9.3%	8.0%	6.8%	5.5%	4.3%	3.0%	1.8%	0.5%
	8%	12.3%	11.0%	9.8%	8.5%	7.3%	6.0%	4.8%	3.5%	2.3%	1.0%	-0.2%
	7%	11.5%	10.3%	9.0%	7.8%	6.5%	5.3%	4.0%	2.8%	1.5%	0.3%	-1.0%

How to read the table?

Lets take an example of the cell shaded in yellow

Arbitrage & Fixed Income: 8% return * 75% exposure = 6% contribution

Equity: 20% return * 25% exposure = 5% contribution

Fund performance = 11% return

The above scenario is explained for illustrative purpose only. The above scenario analysis does not take fund expenses into account. The above scenario analysis does not in any manner intend to convey the performance of DSP BlackRock Equity Savings Fund. It also nowhere reflects/ impacts the performance of DSP BlackRock Equity Savings Fund. Past performance may or may not sustain in future. This scenario does not guarantee that the investment objective of the DSP BlackRock Equity Savings Fund will be achieved. The assumption of 25% in unhedged equity and the rest in arbitrage and fixed income is illustrative only, and the fund can invest anywhere between 20%-40% in unhedged equity.

Why should you invest in DSP BlackRock Equity Savings Fund?

**Stable
Returns**

Fixed income/ Arbitrage portion could provide stability to returns

**Capital
Appreciation**

Equity exposure adds the potential for capital appreciation

**Favourable
Taxation**

Treated as an equity-oriented fund for purpose of taxation

Summary of features

Scheme name	DSP BlackRock Equity Savings Fund
Nature of the fund	Open ended equity scheme
Fund Manager	Vinit Sambre (Equity), Marzban Irani (Fixed Income)
Investment Objective	The investment objective of the Scheme is to generate income through investments in fixed income securities and using arbitrage and other derivative Strategies. The Scheme also intends to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments.
NFO period	March 8, 2016 – March 22, 2016
Benchmark	30% Nifty 500 + 70% CRISIL Liquid Fund Index
Plans	<ul style="list-style-type: none"> ▶ Regular Plan ▶ Direct Plan
Options	<ul style="list-style-type: none"> ▶ Growth ▶ Dividend (Payout and Reinvest) ▶ Quarterly Dividend (Payout and Reinvest) ▶ Monthly Dividend (Payout and Reinvest)
Minimum investment & Additional Purchase	<ul style="list-style-type: none"> ▶ Rs. 1,000 and any amount thereafter ▶ For Systematic Investment Plan (SIP) /Systematic Withdrawal Plan (SWP): Rs. 500
Exit Load	<ul style="list-style-type: none"> ▶ Holding Period <= 12 months : 1% ▶ Holding Period > 12 months : Nil

Disclaimers

Statutory Details: Past performance of the sponsor/AMC/mutual fund does not indicate the future performance of the Scheme. Investors in the Scheme are not being offered a guaranteed or assured rate of return. Each Scheme is required to have (i) minimum 20 investors and (ii) no single investor holding >25% of corpus. If the aforesaid point (i) is not fulfilled within the prescribed time, the Scheme concerned will be wound up and in case of breach of the aforesaid point (ii) the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 5 Business days from the closure of the NFO period. **The name of the Scheme do not in any manner indicate the quality of the Scheme, its future prospects or returns.** In this material DSP BlackRock Investment Managers Pvt. Ltd. (the AMC) has used information that is publicly available, including information developed in-house. Information gathered and used in this material is believed to be from reliable sources. The AMC however does not warrant the accuracy, reasonableness and / or completeness of any information. We have included statements / opinions / recommendations in this document, which contain words, or phrases such as "will", "expect", "should", "believe" and similar expressions or variations of such expressions that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our services and / or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices etc. **The arbitrage strategies may not be available and depending upon the market conditions, the asset allocation of the scheme may change accordingly.**

Asset allocation: Under normal circumstances, when adequate arbitrage opportunities are available and accessible in the cash and derivative market segment, the asset allocation of the Scheme will be: A. Equity & Equity related instruments including derivatives: 65% to 75% A1. Of which cash-futures arbitrage: 25% to 35% A2. Of which net long equity exposure: 20% to 40% B. Debt and money market instruments: 25% to 35%. When adequate arbitrage opportunities are not available and accessible in the cash and derivative market segment, the asset allocation of the Scheme will be: A. Equity & Equity related instruments including derivatives: 40% to 65% A1. Of which cash-futures arbitrage: 0% to 45% A2. Of which net long equity exposure: 20% to 40% B. Debt and money market instruments: 35% to 60%.

All figures and other data given in this document are dated (unless otherwise specified) and the same may or may not be relevant in future and the same should not be considered as solicitation/ recommendation/guarantee of future investments by DSP BlackRock Investment Managers Pvt. Ltd. or its affiliates. The data or figures mentioned in this presentation shall not be construed as indicative yields/returns of any of the Schemes of DSP BlackRock Mutual Fund ("Fund"). **Past performance may or may not be sustained in the future.** Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of the Fund. **For Scheme specific risk factors such as Risks associated with the Scheme's Arbitrage Strategy, investing in equity and equity-related securities, Investment in Debt Securities and Money Market Instruments, Market Liquidity Risk, investments in repo of corporate debt securities, investments in Securitised Assets, Trading In Derivatives, Securities Lending & Borrowing and Short Selling etc. please refer the Scheme Information Document ('SID'). For further details, please refer the Statement of Additional Information, SID and Key Information Memorandum cum Application Forms of the Scheme, which are available at AMC and Registrar Offices and Investor Service Centres/AMC website viz. www.dspbblackrock.com.**

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