

# PARTICIPATE IN INDIA'S BANKING & PSU SPACE

**Investment Horizon: 2 - 3 years**

## Nippon India Banking & PSU Debt Fund

(An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds. Relatively High interest rate risk and moderate Credit Risk)

### Fund aims to invest in\*\*



- AAA PSU/Banking space predominantly
- Good credit quality portfolio that focuses on short to medium end of the yield curve
- Capitalize on the advantage of steepening of the yield curve

\*\*As per current investment strategy. It may vary as per market conditions.

Contact your Mutual Fund Distributor | Visit [mf.nipponindiaim.com](http://mf.nipponindiaim.com)

Call 1860 266 0111#, 91-22-6925 9696# (For investors outside India)

#Charges applicable.

Product Label		Potential Risk Class		
<p><b>This product is suitable for investors who are seeking*</b></p> <ul style="list-style-type: none"> <li>• Income over short to medium term</li> <li>• Investments in debt and money market instruments of various maturities, consisting predominantly of securities issued by Banks, Public Sector undertakings, Public Financial Institutions &amp; Municipal Bonds</li> </ul> <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>	<p><b>Nippon India Banking &amp; PSU Debt Fund</b></p>  <p><b>Fund Riskometer</b></p> <p>Investors understand that their principal will be at Moderate risk</p>	<p><b>Nifty Banking &amp; PSU Debt Index</b></p>  <p><b>Benchmark Riskometer</b></p> <p>Benchmark Riskometer is at Moderate risk</p>	<p><b>Credit Risk →</b></p> <p><b>Interest Rate Risk ↓</b></p> <p><b>Relatively Low (Class I)</b></p> <p><b>Moderate (Class II)</b></p> <p><b>Relatively High (Class III)</b></p>	<p><b>Relatively Low (Class A)</b></p> <p><b>Moderate (Class B)</b></p> <p><b>Relatively High (Class C)</b></p>

**Nippon India Banking & PSU Debt Fund (NIBPDF)**, Predominantly invests in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds.

### Portfolio Characteristics

- ▶ **Asset Profile:**
  - ▷ ~80% investments in bonds & CDs/CPs issued by Banks, PSUs & Public Financial Institutions and Municipal Bonds
  - ▷ Rest of the investments (~20%) in G-Secs/SDLs and other debt/ money market securities
- ▶ **Rating Profile:** 100% in AAA/A1+ assets
- ▶ **Duration Profile:** In view of the current market scenario, the fund would endeavour to run a duration of 1.5 - 3.5 yrs through investments in the above mentioned securities whose duration individually may vary upto 10 yrs

### Current Investment Philosophy

- ▶ Aims to capture short to medium end of the yield curve & endeavors to give returns with moderate volatility
- ▶ **Aims to generate capital gains in the portfolio** by maintaining a duration of 1.5 - 3.5 yrs
- ▶ Credit profile skewed towards **good quality** to enable a healthy risk return ratio
- ▶ Tactically use of upto 10 years GSecs/SDLs/AAA Bonds to generate alpha
- ▶ The right blend of asset class, credit profile & duration, makes a strong case for investment, given moderate volatility expectation and potential benefit from a downward correction in the high grade corporate bond yield curve

**Note:** Above mentioned current investment strategy is based on the prevailing market conditions and is subject to change within the limits of the SID basis the Fund manager's view.

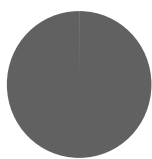
### Suitability

- ▶ Ideal for investors with appetite for moderate volatility in the markets
- ▶ In the current market scenario, we believe investment horizon should be at least 2 - 3 years

<b>Inception Date</b>	15th May 2015
<b>Fund Manager#</b>	Pranay Sinha Vivek Sharma
<b>Minimum Application Amount</b>	Rs. 5,000 & in multiples of Re.1 thereafter
<b>Benchmark</b>	NIFTY Banking & PSU Debt Index
<b>Month end AUM as on February 28, 2023</b>	Rs. 4,008.58 Crs
<b>Plans &amp; Options</b>	i) Growth Plan/Direct Plan - Growth Plan: (i) Growth Option ii) a) IDCW Plan/ Direct Plan - IDCW Plan -IDCW Option b) IDCW Plan/ Direct Plan - IDCW Plan with the frequency of Weekly, Monthly, Quarterly) Both the above mentioned IDCW plan/ Direct Plan - IDCW Plan offers Payout of IDCW and Reinvestment of IDCW.
<b>Exit Load **</b> (** If charged, the same shall be credited to the scheme immediately net of goods & service tax, if any)	Nil

**# Kinjal Desai:** Dedicated Fund Manager for Overseas Investments  
**Note-** IDCW: Income Distribution cum capital withdrawal Options/Plans.

### Rating Profile as on February 28, 2023



AAA/SOV/A1+/Cash & Other Receivables, 100%

### Scheme Attributes as on February 28, 2023

<b>Annualized portfolio YTM*</b>	7.80%
<b>Weighted Average Maturity</b>	3.31 Years
<b>Modified Duration</b>	2.54 Years

\*In case of semi annual YTM, it has been annualised

### Asset Allocation as on February 28, 2023

Corporate Bond	64.55%
Certificate of Deposit	13.97%
Government Bond	11.75%
State Government Bond	2.54%
Floating Rate Note	1.96%
Commercial Paper	1.78%
Cash & Other Receivables	3.44%

### Portfolio as on February 28, 2023

Company/Issuer	Rating	% of Assets
<b>Company/Issuer</b>	<b>Rating</b>	<b>% of Assets</b>
<b>Certificate of Deposit</b>		<b>13.97</b>
ICICI Bank Limited	ICRA A1+	4.12
National Bank For Agriculture and Rural Development	CRISIL A1+	2.91
HDFC Bank Limited	CARE A1+	2.83
Small Industries Dev Bank of India	CARE A1+	2.33
Axis Bank Limited	CRISIL A1+	1.18
Kotak Mahindra Bank Limited	CRISIL A1+	0.60
<b>Commercial Paper</b>		<b>1.78</b>
Housing Development Finance Corporation Limited	CRISIL A1+	1.78
<b>Corporate Bond</b>		<b>64.55</b>
Power Finance Corporation Limited	CRISIL AAA	7.10
Power Grid Corporation of India Limited	CRISIL AAA/ CRISIL AAA	5.63
Oil & Natural Gas Corporation Limited	ICRA AAA	5.45
National Bank For Agriculture and Rural Development	CRISIL AAA/ ICRA AAA	5.45
Small Industries Dev Bank of India	ICRA AAA/ CARE AAA	4.80
REC Limited	CRISIL AAA	4.52
National Housing Bank	CRISIL AAA	4.42
State Bank of India Basel III	CRISIL AAA	4.14
Mahanagar Telephone Nigam Limited	CARE AAA(CE)	3.78
Axis Bank Limited	CRISIL AAA	3.28
ICICI Bank Limited Basel III	ICRA AAA	2.44
India Infradebt Limited (India Infradebt Limited)	CRISIL AAA	2.22
Indian Railway Finance Corporation Limited	CRISIL AAA	2.04
HDFC Bank Limited Basel III	CRISIL AAA	1.85
NTPC Limited	CRISIL AAA	1.26
Summit Digital Infrastructure Limited (BROOKFIELD GROUP)	CRISIL AAA	1.25
Bajaj Finance Limited	CRISIL AAA	1.24
Export Import Bank of India	CRISIL AAA	1.22
HDFC Life Insurance Company Limited	CRISIL AAA	1.20
Hindustan Petroleum Corporation Limited	CRISIL AAA	0.63
Bharat Petroleum Corporation Limited	CRISIL AAA	0.50
ICICI Bank Limited	ICRA AAA	0.13
NHPC Limited	CARE AAA	0.01
National Highways Auth Of Ind	CRISIL AAA	0.01
<b>Floating Rate Note</b>		<b>1.96</b>
Power Finance Corporation Limited	CRISIL AAA	1.96
<b>Government Bond</b>		<b>11.75</b>
Government of India	SOV	11.75

<b>State Government Bond</b>		<b>2.54</b>
State Government Securities	SOV	2.54
<b>Cash &amp; Other Receivables</b>		<b>3.44</b>
<b>Grand Total</b>		<b>100.00</b>

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**Risk factors:** Trading volumes and settlement periods may restrict liquidity in debt investments. Investment in Debt is subject to price, credit, and interest rate risk. The NAV of the Scheme may be affected, inter alia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. The NAV may also be subjected to risk associated with investment in derivatives, foreign securities or script lending as may be permissible by the Scheme Information Document.

**Disclaimers:**

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