



PGIM INDIA EQUITY SAVINGS FUND

An Open Ended Scheme investing in equity, arbitrage and debt

November 2021

Why invest in PGIM India Equity Savings Fund?

In the current market scenario, where absolute yields on traditional fixed income products have fallen, with a risk that inflation may show a rising trend in the future, moderate to conservative investor are left with fewer options to park their money for the medium to long term.

At the same time, investor may not be comfortable taking exposure to equity-oriented products as Indian market are trading close to all time highs and even though economies globally are showing recovery, volatility in the future cannot be ruled out.

PGIM India Equity Savings Fund, in this environment looks to provide solution to all types of investor fulfilling different investment goals.

PGIM India Equity Savings Fund – Solution-Oriented Approach for Current Market Conditions

- Solution-oriented portfolio construct with mix of equities, fixed income and arbitrage opportunities, suitable for different kind of investors with various concerns
- The below allocation is based on current views and positioning*

Net Equities	+	Fixed Income	+	Arbitrage	=	PGIM India Equity Savings Fund
<ul style="list-style-type: none"> ■ 15%-20% of net asset ■ Growth orientation, steady compounders and best in class businesses from the large & midcap space 		<ul style="list-style-type: none"> ■ 30%-35% of net asset ■ Stability of income through high quality and controlled duration risk (upto 3 years) 		<ul style="list-style-type: none"> ■ 45%-50% of net asset ■ Focus on capturing higher spreads by keeping a concentrated portfolio ■ Regular stream of income ■ No equity downside risk 		<ul style="list-style-type: none"> ■ 65%-70% gross exposure towards equities ■ 30%-35% exposure towards debt and money market. Certain portion maintained for margin requirement in liquid assets

Invest in the current markets with Confidence!!

* Please refer the SID for detailed asset allocation. The current allocation and strategy is based on fund manager's views and is subject to change.

PGIM India Equity Savings Fund may be suitable for different objectives like deployment of money for short to medium term with some potential to participate in the upside. The risk-reward characteristics of such a strategy can be expected to be between a pure equity and a pure fixed income scheme. The scheme can also act as a source scheme for STP transactions, where investor can look to park a lumpsum and shift systematically. The scheme has flexibility in terms of exit load for both switch and STP transactions. Last but not the least, it provides taxation efficiency as it is treated like an equity-oriented scheme.

Annualized performance of various indices

(15% equity, 50% arbitrage, 35% short term debt)*	1 Year Rolling	3 Years Rolling	5 Years Rolling
Min	-6.30%	5.38%	6.52%
Max	20.26%	12.16%	10.35%
Average Return	8.73%	8.48%	8.70%
Average Std Dev	3.44%	3.62%	3.48%
Total Number of Observations	178	154	130
Negative Returns	3%	0%	0%
Returns between 0% to 6%	16%	1%	0%
Returns between 6% to 8%	27%	44%	29%
Returns Greater than 8%	54%	55%	71%
Total Observations Greater than 6%	81%	99%	100%

* The above table shows the annualized rolling returns of various indices in a blended portfolio, with 15% exposure to equity represented by Nifty Large Midcap 250 TRI Index, 50% exposure to arbitrage strategy represented by Nifty 50 Arbitrage Index and 35% exposure to short term debt represented by Crisil Short Term Bond Fund Index. The period for analysis is between September 2005 to June 2021, as per the availability of data. It is assumed that the weights are rebalanced on a monthly basis. The same is gross of expenses and any associated costs.

Source: Internal. The above table is for illustration purpose only and does not represent the returns of PGIM India Equity Savings Fund. Past performance may or may not be sustained in future.

*These are based on the fund manager's current outlook and are subject to change.

Exposure to three uncorrelated assets in a single portfolio

PGIM India Equity Savings Fund: 3-pronged approach : each asset class has a different role to perform

Net Equities	Fixed Income	Arbitrage
<ul style="list-style-type: none"> Provides participation in the upside Opportunity to generate alpha through active management 	<ul style="list-style-type: none"> Provides regular income Lends stability to overall portfolio Lower correlation with equities Fulfills liquidity and margin money requirement 	<ul style="list-style-type: none"> Aims to provide returns equivalent to shorter term debt Risk-reward profile expected to be similar to debt asset class
<ul style="list-style-type: none"> Earnings growth have been strong in the last 1 year Continued economic recovery Rally increasingly getting broad based 	<ul style="list-style-type: none"> RBI continues with its accommodative stance Focus on growth Liquidity and inflation trajectory needs to be watched 	<ul style="list-style-type: none"> Spreads attractive as sentiments have improved Higher flows and enhanced liquidity continues to provide opportunity

Lower correlation among different asset classes helps to generate risk-adjusted returns

Disciplined approach for Asset Allocation

- Disciplined asset allocation ensures that regular profit booking happens in the asset class which has outperformed
- Asset allocation within a range helps define the risk-return characteristics, which can ensure discipline and resistance to emotions while investing
- Automated "sell high" when equities outperform and allocation's upper limit is reached. Similarly, "buy low" when equities correct and reaches the lower point of the asset allocation range
- However, in a trending market, asset allocation tend to underperform because of their inability to raise equity exposure in the portfolio outside the upper range

In Summary

- Lower volatility** – predominant mix of debt and arbitrage providing stability
- Potential for capital appreciation** – measured allocation to equities. Active management.
- Regular rebalancing**
- Diversification benefits** – mix of uncorrelated assets in the portfolio viz, equity, debt and arbitrage
- Tax efficiency** – equity taxation status

Key Features



Benchmark Index:

NIFTY 50 Hybrid Short Duration Debt 25:75 Index@



Fund Manager:

Mr. Alok Agarwal (Equity Portion), (w.e.f June 1, 2021) Mr. Hitash Dang (Equity Portion) and Mr. Puneet Pal (Debt Portion) (w.e.f. December 01, 2021)



Application Amount: Minimum of ₹ 5000/- and in multiples of ₹ 1/- thereafter. **Additional Purchase:** Minimum of ₹ 1000/- and in multiples of ₹ 1/- thereafter. **Repurchase / Redemption Amount:** Minimum of ₹ 1000/- and in multiples of ₹ 1/- thereafter or account balance whichever is lower.



Exit load: 10% of the units allotted may be redeemed/switched-out to debt schemes/PGIM India Arbitrage Fund without any exit load within 90 days from the date of allotment of units; Any redemptions/switch-outs in excess of the abovementioned limit would be subject to an exit load of 0.50%, if the units are redeemed/switched-out to debt schemes/PGIM India Arbitrage Fund within 90 days from the date of allotment of units; Nil - If the units are redeemed/switched-out after 90 days from the date of allotment of units. No exit load will be charged for switches and STP between any open-ended equity schemes, hybrid schemes (except PGIM India Arbitrage Fund) and fund of funds schemes.

@w.e.f. December 01, 2021 the benchmark of the scheme has been changed from NIFTY 50 Hybrid Short Duration Debt 25:75 Index to NIFTY Equity Savings Index.

About Us

PGIM India Mutual Fund is a wholly owned business of PGIM, the global investment management business of the US based Prudential Financial, Inc. (PFI). PGIM India Mutual Fund offers a broad range of equity and fixed income solutions to retail and institutional investors throughout the country. We manage 22 open-ended funds operated by 15 investment professionals. In addition to managing our investors assets through domestic Mutual Funds, we also offer Offshore Funds and Portfolio Management Services. The fund house leverages the strength and stability of PGIM's 140-year legacy to build on its decade long history in India.

PGIM is the global investment management business of PFI, one of the top 10 investment managers* with over USD 1.5 trillion¹ in asset under management. PGIM offers a wide range of actively managed asset classes and investment styles including Equities, Fixed Income and Real Estate. PGIM employs over 1300+ investment professionals located in 39 offices across 17 countries and follows a multi-manager model with strong capabilities beyond traditional assets.

Source: pgim.com *PGIM is the investment management business of Prudential Financial, Inc. (PFI); PFI is the 10th largest investment manager (out of 477 rms surveyed) in terms of global assets under management based on Pensions & Investments' Top Money Managers list published on May 31, 2021. This ranking represents global assets under management by PFI as of December 31, 2020. ¹All Information as of March 31, 2021.

Connect with us on:



www.pgimindiamf.com



1800 2667 446

The views of the Fund Manager should not be construed as an advice and investors must make their own investment decisions regarding suitability of the funds based on their specific investment objectives and financial positions and using such independent advisors as they believe necessary.

© 2020 Prudential Financial, Inc. (PFI) and its related entities. PGIM, the PGIM logo, and the Rock symbol are service marks of PFI and its related entities, registered in many jurisdictions worldwide.

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

Riskometer

This product is suitable for investors who are seeking*:

- Capital appreciation and Income distribution over the medium term
- Investment primarily in equity and equity related securities and a small allocation to debt securities
- Degree of risk – LOW TO MODERATE

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

Scheme Riskometer



Investors understand that their principal will be at low to moderate risk