ITI MUTUAL FUND

Long-term wealth creators

FUND FACTSHEET

JUNE 2019

Your partner for **long-term wealth creation**

Our Equity Investment Philosophy

S	Q	L
MARGIN OF SAFETY	QUALITY OF THE BUSINESS	LOW LEVERAGE

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

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George Heber Joseph
CEO & CIO

"We are very bullish on the Indian economy from next decade perspective. Stable government is structurally big positive for the economy, investor confidence and consumer confidence levels. We believe that the economic environment that we are in is quite conducive for the capex cycle to kick start."

Dear Partners and Investors,

Post the mammoth mandate in recently concluded general election, first budget of NaMo 2.0 was awaited with a lot of expectations. At the first glance, budget looks more skewed towards serving the socialist agenda; government continues to increase tax burden on wealthy citizens to propel the growth in rural India and uplift the lower strata of the society. On fiscal front, the government has done a fine balancing act by sticking to the fiscal consolidation path, but revenues and nominal GDP growth projections are a concern. However, on an overall basis, it falls short of being the landmark direction-setting document that market was hoping in the first budget of second term of NaMo government.

What market liked...

- **Fiscal prudence by maintaining fiscal deficit at 3.3%:** By sticking to the fiscal consolidation path, the government has cleared the way for better monetary transmission along with more rate cut by RBI in the coming monetary policy.
- **PSB recapitalization:** Maintaining aggressive recapitalization plan of another Rs. 700 bn for public sector banks (PSBs) is a step in the right direction, but the intention to make structural changes in governance is missing. PSBs require more handholding despite mammoth level of capital infusion of Rs. 2.1 trillion in the last 18 months.
- **Handing over regulation of NBFC & HFC to RBI:** Government move to empower RBI to regulate NBFC & HFC sector is a very important step to instill confidence post the IL&FS default.
- **Credit guarantee to PSBs for buying NBFC assets to provide liquidity:** Providing liquidity support to NBFCs was one of the most important demands of the financial market that was partially addressed by providing one-time credit guarantee for 1st loss to PSB's. Subsequently, RBI also announced additional liquidity support to banks against their excess G-Sec holdings to facilitate faster liquidity support to NBFC/HFC.
- **Relief for option traders on STT:** The change is a big relief for options traders as now STT will be levied on the difference between the strike price and the market price compared with earlier practice of levy on value of the contract. As a result, traders will not be forced to square up in the last hour of trading as was the case earlier.

"If we avoid the losers, the winners will take care of themselves."

What disappointed markets...

- **Introduction of 20% tax on buyback:** Government now has proposed new tax of 20% in case of buyback of shares by listed companies to address tax arbitrage between dividend and buyback. With immediate effect, any profit distribution by the listed company to the shareholders in any manner is taxable either by Dividend Distribution tax (DDT) or Buyback Distribution tax (BDT). Further, buyback would be double taxation as BDT will be levied on corporate level and LTCG/STCG on the shareholders tendering their shares in Buyback.
- **Increase in public shareholding of listed stock to 35% from current 25%:** Government has asked SEBI to examine increasing public shareholding of listed company from the current 25% to 35%. Based on our back of the envelope calculation, approx 35% of the NSE listed companies have promoter shareholding above 65% and thus they would have to go through off-loading promoter stakes to meet this requirement. Given the current market sentiment, it will be a massive task and can adversely impact performance of the broader market.

What next from here...

Budgets will come and go but it sets a direction and expectations from the government. Ultimately markets are driven by earnings growth, valuations and sentiments.

Now we are back to basics ....earnings, valuation and sentiment: Indian market was continuously going through many important local and global events in the last six months, which has partially taken away investor attention from corporate earnings. With kicking of 1QFY20 earnings season, we expect market spotlight to be back on corporate earnings. Largely budget estimates are fine but still there is high probability of slippages. Further, consumer demand revival and NBFC restructuring may take some time to play out. Hence, we expect earnings to remain subdued in the coming quarter and thus do not see any major up-move in the markets in the short term.

When we analyse we see that corporate profitability to GDP ratio is at a 15 year low. In the FY'04, this ratio was 2.8%, which rose to 5.5% in FY'08 and now again has fallen to 2.8%. So, the question on everyone's mind today is whether this corporate profitability is going to rise in India. Currently, Market Capitalisation to GDP also is at average market valuation levels of 76% and not showing any frothiness as such. 10 Year G-Sec yield is at 6.88%, government measures are indicating that they want to keep inflation and interest rates low. Budget actions also indicate that government intends to keep the Indian rupee stable against all major currencies and maintain the fiscal deficit within the target.

We are very bullish on the Indian economy from next decade perspective. Stable government is structurally big positive for the economy, investor confidence and consumer confidence levels. We believe that the economic environment that we are in is quite conducive for the capex cycle to kick start. Low interest rates and stable currency are pre-requisites to kick-start the economy. Capacity utilisation at system level also has inched up to 75.9%, which was at 71.6% in 2013 and many sectors are seen to have reached 80% capacity utilisation, which points to the fact that capex cycle is bound to pick up soon.

Investment Philosophy as an Edge!

Our investment philosophy is represented by SQL and this is applicable to both Equity and Fixed Income.

Investment Philosophy	Equity	Fixed Income
S	Margin of Safety	Safety
Q	Quality of the Business	Quality of the Business
L	Low Leverage	Liquidity

The "SQL" philosophy is aligned to our equity investment objective of 'Long Term Wealth Creation'. We believe this investment philosophy would stand the test of times and follows our overriding belief that "If we avoid the losers, the winners will take care of themselves." Avoiding losers from the portfolio (low quality companies, companies with bad corporate governance, etc) is very important and core to our investment philosophy.

How do we manage Risk & Return?

Our primary goal is superior investment performance with less-than-commensurate risk. So our goal is not superior investment performance but our focus will be superior risk adjusted returns vs. Benchmarks and Peer funds. We do not believe in the predictive ability required to correctly time markets so we will keep Equity and Debt portfolios more than 90% invested all the time whenever attractively priced assets can be bought.

We use overall portfolio positioning - defensive/aggressive as a method to manage various risks (overall market valuation risks, sector over valuation risks, visible macroeconomic challenges) instead of taking big cash calls. We believe consistent excellent performance can only be achieved through:

- Superior knowledge of companies and their securities
- Avoiding attempts at predicting what is in store for the economy, interest rates or the securities markets
- Engaging process that is entirely bottom-up, based upon internal company-specific research
- An investment process that includes research-based asset allocation to manage risks. Markets generally swing to extremes and therefore keeping sanity of market/sector/stock valuation is very critical for success in investing

Equity Market Outlook:

In general, we are more bullish on large cap stocks over mid/small cap stocks. Selectively few small cap stocks are also looking attractive and would be in the consideration set for our investments, but portfolio will be predominantly skewed towards large caps at this point of time. Long term outlook is superb and as we see corporate earnings rebounding from FY'20 onwards, we will see the market valuation also getting normalised.

Aggregate market valuations are at above average levels at this point of time, so bottom up stock picking is the key for alpha generation. Few sectors that have not done well in the last 5-10 years are the ones that need a closer look for investments. Sectors that can potentially generate good returns are industrial products, capital goods, pharmaceuticals, infrastructure, private banks, select real estate & consumer staple names and consumer discretionary sectors like auto, auto anc, building materials and consumer durables. We see some impetus to these sectors in the current budget also.

To play the long-term growth prospects, we believe multi cap as a category of funds is the best from investment point of view and that is the reason we have launched ITI Multi Cap Fund as the first flagship product. This product can manoeuvre across market capitalisations and therefore works well for long term wealth creation.

Debt Market Outlook:

No change in our stance. We recommend to stick to short end of the yield curve (1-3 Year segment) and this was the same stance that we had taken last month too. We expect liquidity to improve, interest rates to come down and also expect spread compression to happen in short term space in the coming quarters.

Big rally in bonds have already happened post general election results and also after the budget announcement on 5th July'19. Budget has addressed a lot of concerns that we had on the lower transmission of rate cuts, delayed reduction in the lending rates by banks and therefore late pick-up in domestic growth. Budgetary announcements will have significant liquidity improvement at system level and is quite positive for the short end of the yield curve. Domestic GDP growth, Crude oil price movement and expectations on global growth environment will have a bearing on the debt markets from near to medium term basis.

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Equity Market Update

- Indian equity markets dipped although global peers witnessed gains. Key domestic benchmark indices touched all-time closing highs during the month only to retreat soon after and ended the period with marginal losses amidst volatility. U.S. markets gained on optimism that U.S. Federal Reserve (Fed) will cut interest rate in the near term. European markets too witnessed buying spree with investor sentiment buoyed by hopes of additional stimulus measures by the European Central Bank (ECB).
- The favorable outcome of the general elections in May 2019 continued to boost optimism over government reforms. Nonetheless, a host of mixed global cues affected buying interest, thereby overshadowing gains.
- Markets witnessed initial buying spree with benchmark indices touching all-time highs. Investor sentiment was buoyed by growing expectation of rate-cut by the Monetary Policy Committee (MPC) prior to its meeting on Jun 6, 2019. MPC did not disappoint the markets and cut its key policy rates while changing the policy stance from 'neutral' to 'accommodative'. Nonetheless, the Reserve Bank of India (RBI) committee did not make any announcement regarding liquidity issues.
- On the economic front, domestic factory output surged in Apr 2019 to hit a six-month high, while retail inflation accelerated at the fastest pace in seven months in May 2019. Inflation still is within RBI's tolerance level, thereby leaving scope for more rate-cuts. The wholesale price inflation slipped to 22-month low in May, helped by falling prices of food articles, fuel and power items.
- On the global front, positive vibes were created by optimism over rate-cut by the U.S. Federal Reserve (Fed) in the near future and reports that U.S. administration has "indefinitely suspended" the additional tariffs on all Mexican goods. This was, however, overshadowed by the ongoing U.S.-China trade tension. Renewed geopolitical tensions rocked markets around the globe following military confrontation between Tehran and Washington.
- Markets were further hit by increased trade tensions between U.S. and India. Slow progress of monsoon across India raised concerns over inflation and slowdown in the pace of economic growth.
- Towards month-end, mixed reactions over the upcoming Union Budget 2019-20 dominated market sentiment.

Domestic Indices Performance

Index	Month End Value	Change in % 1M	3M	6M	1Y	3Y	5Y
S&P BSE Sensex	39394.64	-0.80	1.87	9.22	11.21	13.45	9.17
Nifty 50	11788.85	-1.12	1.42	8.53	10.03	12.49	9.15
S&P BSE 200	4926.59	-1.20	0.39	5.86	6.91	11.95	9.54
Nifty 500	9657.95	-1.50	-0.06	5.32	5.41	11.45	9.37
Nifty Mid Cap	17654.10	-1.70	-3.31	-1.24	-2.90	8.53	9.74
S&P BSE Small Cap	14239.33	-4.22	-5.24	-3.18	-11.18	6.47	6.90

Source: NSE, BSE

Global Indices Performance

Index	Month End Value	Change in % 1M	3M	6M	1Y	3Y	5Y
DJIA	26599.96	7.19	2.59	14.03	9.59	14.08	9.60
S&P 500	2941.76	6.89	3.79	17.35	8.22	11.93	8.46
FTSE	7425.63	3.69	2.01	10.37	-2.77	4.52	1.95
DAX	12398.80	5.73	7.57	17.42	0.75	8.62	4.75
CAC	5538.97	6.36	3.52	17.09	4.05	9.36	4.61
Nikkei	21275.92	3.28	0.33	6.30	-4.61	10.98	7.01
Hang Seng	28542.62	6.10	-1.75	10.43	-1.42	11.16	4.24
KOSPI	2130.62	4.35	-0.47	4.39	-8.40	2.65	1.25
Shanghai	2978.88	2.77	-3.62	19.45	4.62	0.56	7.78
MSCI EM	1054.86	5.70	-0.31	9.22	-1.37	8.16	0.08
MSCI India	19.39	-0.49	0.41	7.01	6.55	9.09	3.91

Source: Thomson Reuters Eikon, Bloomberg

Sectoral Performance

Index	Month End Value	Change in % 1M	3M	6M	1Y	3Y	5Y
Nifty Auto	7928.05	-3.03	-4.89	-14.16	-25.97	-3.66	3.19
Nifty Bank	31105.20	-0.86	2.23	14.52	17.98	20.19	15.34
Nifty Energy	16046.80	-3.10	-2.65	11.94	20.35	22.66	10.00
Nifty FMCG	29546.05	-1.02	-2.56	-3.18	2.00	11.01	11.13
Nifty India Consumption	4755.50	-1.12	-2.06	-4.68	-5.48	8.41	10.16
Nifty Infrastructure	3369.20	0.91	5.03	6.11	7.79	5.80	-0.02
Nifty IT	15936.45	-1.39	1.97	10.36	13.92	12.77	9.97
Nifty Metal	2980.20	2.75	-2.10	-5.53	-13.37	10.97	-2.07
Nifty Commodities	3635.50	-1.35	0.27	5.95	3.68	10.31	3.61
Nifty Pharma	8065.15	-4.61	-13.71	-9.06	-12.08	-10.23	-1.13
Nifty PSE	3657.25	0.07	2.03	7.90	3.68	4.90	-0.65
Nifty Realty	284.80	0.30	5.79	22.57	4.88	12.48	1.52

Source: NSE

Nifty 50 - P/E

Source: NSE

Nifty 50 - P/B

Source: NSE

Net Institutional Flows - Equity (*in Rs. Crore*)

Net Flows	FII Flows	MF Flows
1M	2,596	6,232
3M	31,709	6,796
6M	78,647	8,734
1Y	52,064	60,665
3Y	98,673	286,485
5Y	172,920	397,950

Source: SEBI

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Debt Market Update

- India's Index of Industrial Production (IIP) growth rose 3.4% YoY in Apr 2019 as against revised growth of 0.4% (decline of 0.1% from originally reported) in Mar 2019 and increase of 4.5% in Apr 2018. The current reading is highest in six months.
- India's consumer inflation accelerated to 3.05% YoY in May 2019 from upwardly revised growth of 2.99% (originally reported 2.92%) in Apr 2019 but slowed compared with 4.87% in May 2018. Food inflation grew 1.83% in May 2019 compared with a growth of 1.10% in Apr 2019 and a growth of 3.10% in the same month of the previous year.
- India's current account deficit (CAD) narrowed to $4.6 billion (0.7% of GDP) in Q4FY19 narrowed from $13.0 billion (1.8% of GDP) in Q4FY18 and $17.7 billion (2.7% of GDP) in the previous quarter. CAD narrowed on a yearly basis as trade deficit narrowed to $35.2 billion in Q4FY19 from $41.6 billion in the same period of the previous year.
- The Monetary Policy Committee unanimously lowered key policy repo rate by 25 bps for the third consecutive time in its second bi-monthly monetary policy review for FY20. MPC also changed its stance on monetary policy from neutral to accommodative. The key policy repo rate thus stands at a near 9-year low of 5.75%.
- Yield on the 10-year benchmark bond (7.26% GS 2029) plunged 15 bps to close at 6.88% compared to the previous month's close of 7.03% after trading in a range of 6.73% to 7.10%.
- Bond yields fell after the Monetary Policy Committee unanimously lowered key policy repo rate by 25 bps in its second bi-monthly monetary policy review for FY20.
- This was the third consecutive rate-cut in 2019. Market sentiment was further boosted after Consumer Price Index based inflation stood at 3.05% in May 2019 and stayed below the Reserve Bank of India's (RBI) medium term target for 10 straight months.
- On the liquidity front, the overnight call rate traded in a range from 5.58% to 5.94% during the month under review compared with that of the previous month when call rates traded in the range of 5.46% to 6.06%. Liquidity conditions remained favorable after RBI infused liquidity into the system through OMOs of Rs. 27,500 crore in June 2019. Data from RBI showed that banks' net average lending to the central bank through the LAF window stood at Rs. 13,217.86 crore in June 2019 compared with Rs. 13,941.68 crore in May 2019.
- Yields on the 10-year U.S. Treasury bond fell 14 bps to close at 2.00% compared with the previous month's close of 2.14%. U.S. Treasury Prices rose after the U.S. Federal Reserve kept interest rates on hold in its monetary policy review but raised the possibility of easing the same before the end of 2019.
- Yield on gilt securities fell across maturities in the range of 5 bps to 31 bps. The minimum decline was witnessed on 7-year paper and the maximum decline was witnessed on 19-year paper. Yield on corporate bonds increased across maturities by up to 31 bps barring 1-year paper which fell 7 bps. Difference in spread between corporate bond and gilt securities expanded across maturities in the range of 7 bps to 54 bps barring 1-year paper, which closed steady.

Key Domestic Yield Indicators

Index	Month End Value	Change in BPS 1M	3M	6M	1Y	3Y	5Y
10Y GSEC CMT	6.88	-15	-47	-49	-102	-57	-187
10Y AAA CMT	8.40	3	-14	-2	-37	9	-93
10Y SPREAD*	152	14	27	45	77	77	159
1Y CD	7.16	-4	-18	-80	-92	-30	-175
3M CD	6.41	-6	-80	-49	-59	-37	-216
1Y CP	7.90	0	35	70	35	11	-98
3M CP	7.00	20	-55	-20	-55	-79	-188

Source: Thomson Reuters Eikon

Inflation Indicators

Index	May - 19	Change 1M	3M	6M	1Y	3Y	5Y
CPI	3.05	0.06	0.48	0.72	-1.82	-2.71	-5.28
Food & Beverages	2.03	0.65	2.10	3.72	-1.26	-5.17	-6.85
Fuel & Light	2.48	-0.08	1.24	-4.76	-3.32	-0.46	-2.27
Housing	4.82	0.06	-0.28	-1.17	-3.58	-0.53	-8.91
Core CPI	4.23	-0.32	-1.06	-1.46	-1.89	-0.26	-4.23

Source: Thomson Reuters Eikon, Bloomberg

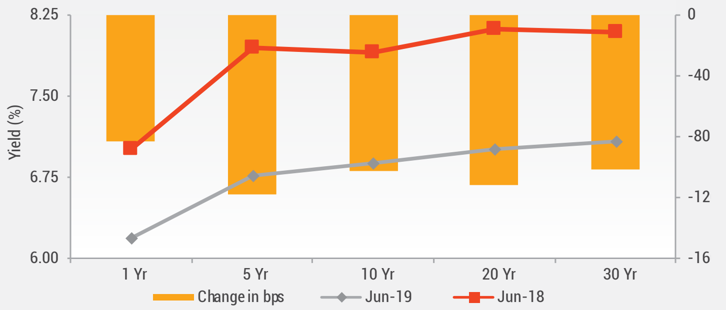
Key Indicators

Index	Month End Value	Change in % 1M	3M	6M	1Y	3Y	5Y
US 2Y CMT Yield (Change in BPS)	1.74	-20	-53	-76	-79	115	128
US 10Y CMT Yield (Change in BPS)	2.00	-14	-41	-69	-85	51	-52
Brent	68.96	1.38	0.64	36.53	-10.18	45.21	-37.91
USD/INR	68.92	-1.27	-0.37	-1.25	0.50	1.92	14.68
IIP	3.40	3.00	1.80	-5.00	-1.10	-2.60	-0.50
Manufacturing PMI	52.10	-1.14	-0.95	-2.07	-1.88	N.A.	N.A.
Service PMI	50.20	-1.57	-4.38	-6.52	1.21	N.A.	N.A.

US $ Billion	Jan to May 2019	2018	2017	2016	2015	2014	2013
Trade Deficit	65.90	182.69	147.59	97.46	125.76	140.40	150.59
Net Oil Imports	37.53	92.34	64.89	47.37	57.63	95.84	100.08
Net Non-Oil Trade Deficit	28.38	90.35	82.70	50.09	68.13	44.57	50.51
Net Gold Imports	12.07	24.10	29.22	4.64	20.19	17.66	19.80
Trade Deficit ex Oil & Gold	16.31	66.25	53.48	45.45	47.94	26.91	30.71
NET of Principal Commodities Electronic Goods	18.12	49.6	45.54	34.69	34.52	29.13	24.14

Source: Thomson Reuters Eikon, Bloomberg

India Yield Curve Shift (Year- on- Year)



Source: Thomson Reuters Eikon

10-Yr Benchmark Gsec Bond

Source: CCIL

Net Institutional Flows - Debt (*in Rs. Crore*)

Net Flows	FII Flows	MF Flows
1M	8,319	43,279
3M	4,407	125,439
6M	9,070	270,489
1Y	2,709	465,277
3Y	78,004	1,123,370
5Y	208,657	1,991,106

Source: SEBI

ITI Multi Cap Fund

(An open-ended equity scheme investing across large cap, mid cap, small cap stocks)

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June 2019

CATEGORY OF SCHEME: Multicap Fund

INVESTMENT OBJECTIVE

The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio that predominantly invests in equity and equity-related securities of companies across various market capitalisation. However, there can be no assurance that the investment objective of the Scheme will be realised.

SCHEME DETAILS

Inception Date (Date of Allotment):	15-May-19
Benchmark:	Nifty 500 TRI
Minimum Application Amount:	Rs. 1,000/- and in multiples of Re. 1/- thereafter
Load Structure:	
Entry Load:	Nil
Exit Load:	If units are redeemed/switched out within 12 months - 1%. Nil thereafter

Total Expense Ratio (TER):
Including Additional Expenses and Goods and Service Tax on Management Fees
Regular Plan: 2.52% Direct Plan: 0.45%

FUND MANAGER

Mr. George Heber Joseph (Since 15-May-19)
Total Experience: 16 years
Mr. Pradeep Gokhale (Since 15-May-19)
Total Experience: 23 years

PORTFOLIO DETAILS

AUM (in Rs. Cr):	24.33
AAUM (in Rs. Cr):	21.58
% of top 5 holdings:	22.67%
% of top 10 holdings:	38.27%
No. of scrips:	49

QUANTITATIVE DATA

Portfolio Turnover Ratio (Last 1 year): NA

RISK RATIO

Standard Deviation:	NA
Beta:	NA
Sharpe Ratio*:	NA

Computed for the 3-yr period ended June 28, 2019. Based on month-end NAV.
* Risk free rate: NA (Source: FIMMDA MIBOR)

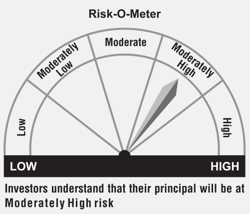
NAV as on June 28, 2019

	Regular Plan (in Rs.)	Direct Plan (in Rs.)
Growth:	10.4899	10.5143
Dividend:	10.4899	10.5143

THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING^

- Long-term capital growth
- Investment in equity and equity-related securities of companies across various market capitalization

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

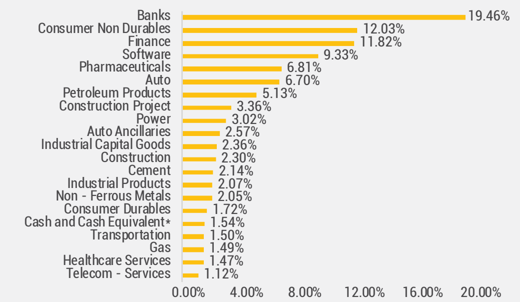


PORTFOLIO

Name of the Instrument	% to NAV	% to NAV Derivatives
Equity & Equity Related Total	**98.46**	-
Auto		
• Maruti Suzuki India Ltd.	3.42	
TVS Motor Company Ltd.	1.42	
Mahindra & Mahindra Ltd.	1.14	
Hero MotoCorp Ltd.	0.72	
Auto Ancillaries		
Exide Industries Ltd.	0.99	
Jtekt India Ltd.	0.85	
MRF Ltd.	0.73	
Banks		
• HDFC Bank Ltd.	7.12	
• Axis Bank Ltd.	4.36	
• ICICI Bank Ltd.	3.52	
State Bank of India	2.55	
City Union Bank Ltd.	1.89	
Cement		
Ultratech Cement Ltd.	2.14	
Construction		
Mahindra Lifespace Developers Ltd.	1.49	
KNR Constructions Ltd.	0.81	
Construction Project		
• Larsen & Toubro Ltd.	3.36	
Consumer Durables		
Crompton Greaves Consumer Electrical Ltd	1.72	
Consumer Non Durables		
• ITC Ltd.	2.94	
Nestle India Ltd.	2.70	
United Spirits Ltd.	1.77	
Hindustan Unilever Ltd.	1.66	
Dabur India Ltd.	1.62	
Asian Paints Ltd.	1.09	
Jubilant Foodworks Ltd.	0.24	
Finance		
• Reliance Nippon Life Asset Mgmt Ltd.	3.58	
Housing Development Finance Corp Ltd.	2.31	
HDFC Life Insurance Co. Ltd	1.72	
ICICI Securities Ltd.	1.57	

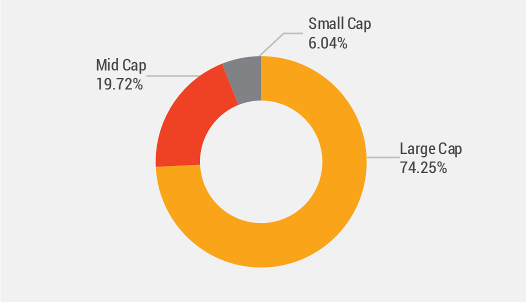
Name of the Instrument	% to NAV	% to NAV Derivatives
ICICI Prudential Life Insrnce Co. Ltd.	1.32	
Can Fin Homes Ltd.	1.32	
Gas		
GAIL (India) Ltd.	1.49	
Healthcare Services		
Dr. Lal Path labs Ltd.	1.47	
Industrial Capital Goods		
Siemens Ltd.	1.20	
ABB India Ltd.	1.16	
Industrial Products		
Schaeffler India Ltd.	1.82	
Supreme Industries Ltd.	0.25	
Non - Ferrous Metals		
Hindustan Zinc Ltd.	2.05	
Petroleum Products		
Reliance Industries Ltd.	2.71	
Bharat Petroleum Corporation Ltd.	2.42	
Pharmaceuticals		
Torrent Pharmaceuticals Ltd.	2.84	
Lupin Ltd.	2.04	
• Natco Pharma Ltd.	1.93	
Power		
NTPC Ltd.	3.02	
Software		
• Infosys Ltd.	4.08	
Tata Consultancy Services Ltd.	2.25	
• Larsen & Toubro Infotech Ltd.	1.60	
HCL Technologies Ltd.	1.41	
Telecom - Services		
Bharti Airtel Ltd.	1.12	
Transportation		
Container Corporation of India Ltd.	1.50	
Triparty Repo		
The Clearing Corporation of India Ltd.	2.28	
Margin Fixed Deposits		
HDFC Bank Ltd.	0.42	
Net Current Assets	**-1.16**	

Portfolio Allocation (%)



*Includes TREPS, Margin Fixed Deposits and Net Current Assets

Market Capitalisation Wise Exposure



FUND FEATURES

Fresh, no legacy/ no baggage portfolio

Differently positioned as a flexi cap within the multicap segment

Smooth investing experience for the investor

Long term wealth creation focus

Strong expertise in equity research

SQL investment philosophy

When markets are expensive, the fund generally reduces risk and when markets are undervalued fund increases the risk in the portfolio so that risk adjusted return and investor experience becomes smooth and rewarding

Face Value per Unit: Rs. 10 unless otherwise specified; Data is as of June 28, 2019 unless otherwise specified.

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MUTUAL FUND

Long-term wealth creators

"Market caps, volatility, allocation, valuations. My fund takes care of all."

ITI Multi Cap Fund

(An open ended equity scheme investing across Large Cap, Mid Cap and Small Cap stocks)

Investing in equities is simple – choose one fund that can dynamically invest across large, mid and small cap stocks to help you make the most of different opportunities to build wealth for the long term. Our fund managers follow the **SQL** philosophy – Margin of **S**afety, **Q**uality of the Business and Low **L**everage with the aim of providing better risk-adjusted returns in the long term. Invest now and get the benefits of all, in one!

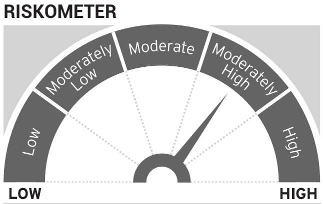
Call: 1800 266 9603
E: mfassist@itiorg.com
W: www.itimf.com

This product is suitable for investors who are seeking*

- Long-term capital growth
- Investment in equity and equity-related securities of companies across various market capitalizations

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

RISKOMETER



Investors understand that their principal will be at moderately high risk

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

47-19

ITI Liquid Fund

(An open-ended liquid Scheme)

ITI MUTUAL FUND
Long-term wealth creators

June 2019

CATEGORY OF SCHEME: Liquid Fund

INVESTMENT OBJECTIVE

The investment objective of the Scheme is to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through a portfolio of money market and debt securities. However, there can be no assurance that the investment objective of the scheme will be realised.

SCHEME DETAILS

Inception Date (Date of Allotment):	24-Apr-19
Benchmark:	CRISIL Liquid Fund Index
Minimum Application Amount:	Rs. 5,000/- and in multiples of Re. 1/- thereafter
Load Structure:	
Entry Load:	Nil
Exit Load:	Nil

Total Expense Ratio (TER):
Including Additional Expenses and Goods and Service Tax on Management Fees

Regular Plan: 0.23% Direct Plan: 0.12%

FUND MANAGER

Mr. George Heber Joseph (Since 24-Apr-19)
Total Experience: 16 years

Mr. Milan Mody (Since 24-Apr-19)
Total Experience: 16 years

PORTFOLIO DETAILS

AUM (in Rs. Cr):	27.92
AAUM (in Rs. Cr):	33.32

QUANTITATIVE DATA

Average Maturity*:	10.42
Macaulay Duration*:	10.42
Yield to Maturity*:	5.76%

* Computed on the invested amount

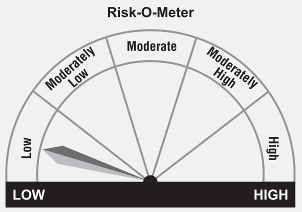
NAV as on June 30, 2019

	Regular Plan (in Rs.)	Direct Plan (in Rs.)
Growth:	1011.4168	1011.6237
Daily Dividend:	1001.0000	1001.0098
Weekly Dividend:	-	-
Fortnightly Dividend:	-	1001.6349
Monthly Dividend:	1001.5985	1001.6090
Annual Dividend:	1011.4060	1011.6275

THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING^

- Income over short term.
- Investment in money market and debt instruments.

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



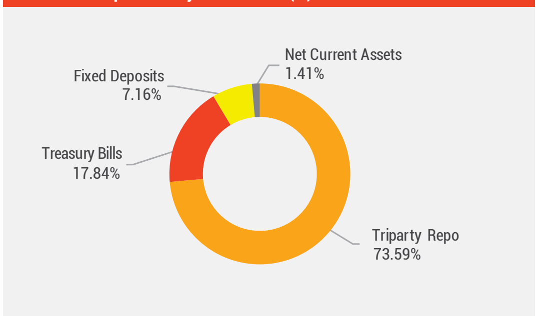
Investors understand that their principal will be at Low risk

PORTFOLIO

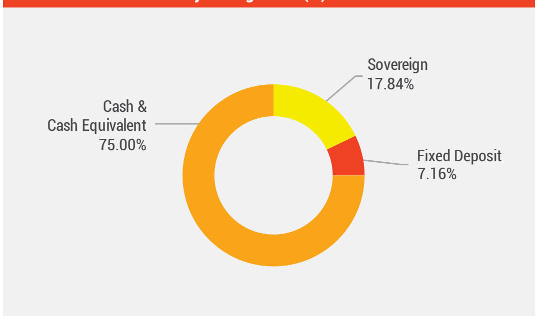
Name of the Instrument	Ratings	Market Value (Rs. Lakhs)	% to NAV
Debt Instruments			
Treasury Bills			
• Reserve Bank of India	Sovereign	497.94	17.84
Fixed Deposits			
• Axis Bank Ltd.	-	200.00	7.16
Reverse Repo/TREPS			
• The Clearing Corporation of India Ltd.	-	2054.35	73.59
Net Current Assets	-	39.28	1.41
Total Net Assets			**100.00**

• Top Ten Holdings

Portfolio Composition by Asset Class (%)



Portfolio Classification by Rating Class (%)



FUND FEATURES

- Disciplined risk management
- Comparatively higher risk adjusted returns vis a vis savings accounts
- Low Risk
- Daily accrual
- Hedge in rising interest rate scenario
- High credit quality debt papers
- High liquidity

Face Value per Unit: Rs. 1000 unless otherwise specified; CD - Certificate of Deposit; CP - Commercial Papers;
Data is as of June 28, 2019 unless otherwise specified.

ITI
MUTUAL FUND

Long-term wealth creators

"I've found the ideal Cash Manager"

ITI Liquid Fund

(An open-ended liquid scheme)

ITI Liquid Fund is an ideal Cash Management tool and suitable avenue for Asset Allocation. It aims to offer relatively better safety, liquidity and complete flexibility for your investments. ITI Liquid Fund offers an investment proposition with accrual income with lowest credit risk and lowest interest rate risk among debt funds.

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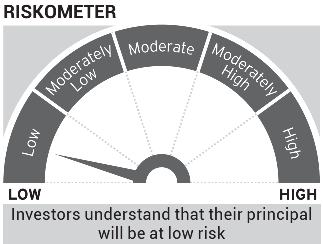
RISKOMETER



75-19

Glossary

- **Average Maturity**
  Weighted average maturity of the securities in scheme.
- **Macaulay Duration (Duration)**
  Macaulay Duration (Duration) measures the price volatility of fixed income securities. It is often used in the comparison of interest rate risk between securities with different coupons and different maturities. It is defined as the weighted average time to cash flows of a bond where the weights are nothing but the present value of the cash flows themselves. It is expressed in years. The duration of a fixed income security is always shorter than its term to maturity, except in the case of zero-coupon securities where they are the same.
- **Portfolio Yield (Yield To Maturity)**
  Weighted average yield of the securities in a scheme portfolio.
- **Total Expense Ratio (TER)**
  Total expenses charged to scheme for the month expressed as a percentage to average monthly net assets.
- **Portfolio Turnover Ratio**
  Portfolio Turnover Ratio is the percentage of a fund's holdings that have changed in a given period. This ratio measures the fund's trading activity, which is computed by taking the lesser of purchases or sales and dividing it by average monthly net assets.
- **Tracking Error**
  Tracking error indicates how closely the portfolio return is tracking the benchmark index return. It measures the deviation between portfolio return and benchmark index return. A lower tracking error indicates portfolio is closely tracking benchmark index and higher tracking error indicates higher deviation of portfolio returns from benchmark index returns.
- **Risk Free Return**
  The theoretical rate of return of an investment with safest (zero risk) investment in a country.
- **Growth and Cumulative option**
  Growth and Cumulative words are used alternatively.

How to read factsheet

- **Fund Manager**
  An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.
- **Application Amount for Fresh Subscription**
  This is the minimum investment amount for a new investor in a mutual fund scheme.
- **Minimum Additional Amount**
  This is the minimum investment amount for an existing investor in a mutual fund scheme.
- **SIP**
  SIP or systematic investment plan works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for a SIP that invests Rs. 500 on every 15th of a month in an equity fund for a period of three years.
- **NAV**
  The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which an investor enters or exits the mutual fund.
- **Benchmark**
  A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds. Some typical benchmarks include the NIFTY, Sensex, BSE200, NSE500, Crisil Liquid Fund Index and 10-Year Gsec.
- **Entry Load**
  A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged when an investor purchases the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is Rs. 100 and the entry load is 1%, the investor will enter the fund at Rs. 101.

  (Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor).
- **Exit Load**
  Exit load is charged when an investor redeems the units of a mutual fund. The exit load is reduced from the prevailing NAV at the time of redemption. The investor will receive redemption proceeds at net value of NAV less Exit Load. For instance, if the NAV is Rs. 100 and the exit load is 1%, the investor will receive Rs. 99.
- **Yield to Maturity (YTM)**
  The Yield to Maturity or the YTM is the rate of return when a bond is held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.
- **Modified Duration**
  Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.
- **Standard Deviation**
  Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.
- **Sharpe Ratio**
  The Sharpe Ratio, named after its founder, the Nobel Laureate William Sharpe, is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.
- **Beta Ratio (Portfolio Beta)**
  Beta is a measure of an investment's volatility vis-a-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.
- **AUM**
  AUM or assets under management refers to the recent / updated cumulative market value of investments managed by a mutual fund or any investment firm.
- **Holdings**
  The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.
- **Nature of Scheme**
  The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is termed an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.
- **Rating Profile**
  Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.

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Our Fixed Income Investment Philosophy

S	Q	L
SAFETY	QUALITY OF THE BUSINESS	LIQUIDITY

Lock your investments for **long-term**

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