

TATA EQUITY SAVINGS FUND-April 2023 UPDATE

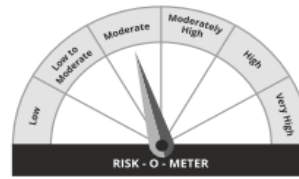
(An open ended hybrid scheme investing predominantly in equity & equity related instruments)

Data as on 31st Mar 2023

This product is suitable for investors who are seeking*:

- Long Term Capital Appreciation by investing in equity and equity related instruments.
- Income distribution by investing in equity arbitrage opportunities and debt & money market instruments.

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



Investors understand that their principal will be at Moderate Risk



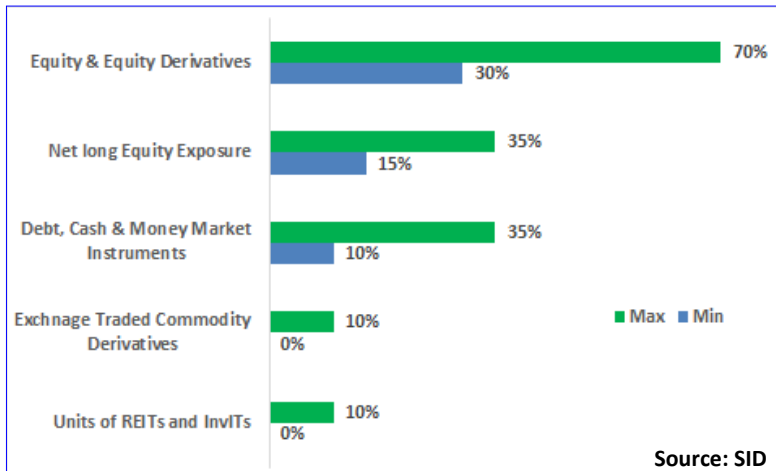
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Benchmark: Nifty Equity Savings Index

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

Product Construct

Under normal circumstances, the asset allocation of the Scheme will be as follows:



The portfolio is constructed to generate returns with low volatility out of a combination of cash equity, equity and commodity arbitrage, REITs & InvITs and debt securities.

Source: SID

Investing in Tata Equity Savings Fund– Rationale

Lower Volatility than Equity Markets

Stable portfolio of equity, commodity arbitrage and fixed income securities

Equity Oriented Taxation

Fund Snapshot

| | |
|--------------------|--|
| Benchmark (Tier-1) | NIFTY Equity Savings Index |
| AUM | Rs. 120.54 Crores |
| Inception Date | 27th April 2000 |
| Expense Ratio | Direct: 0.12 Regular: 1.03 |
| Fund Manager | Sailesh Jain (Managing Since 9-Nov-18) (for equity portfolio); Murthy Nagarajan (Managing since 1-Apr-17); Aurobinda Prasad Gayan (manages commodity portfolio) since 5-Jan-22 |

Fund Statistics

| Statistics | Portfolio | Benchmark |
|----------------|-----------|-----------|
| Std. Dev | 5.12 | 6.06 |
| Sharpe Ratio | 0.58 | 0.75 |
| Portfolio Beta | 0.80 | NA |
| R Squared | 0.95 | NA |
| Treynor | 0.32 | NA |
| Jenson | -0.06 | NA |

Market Capitalization-wise Exposure (Equity Portfolio)

| | |
|-----------|--------|
| Large Cap | 98.15% |
| Midcap | 1.03% |
| Smallcap | 0.83% |

About the Fund

One of the ideal investment avenues for interested in moderate returns with lower volatility than equity markets while gaining equity taxation.

Large Cap: 1st -100th company in terms of full market capitalization
Midcap: 101st -250th company in terms of full market capitalization
Small Cap: 251st company onwards in terms of full market capitalization

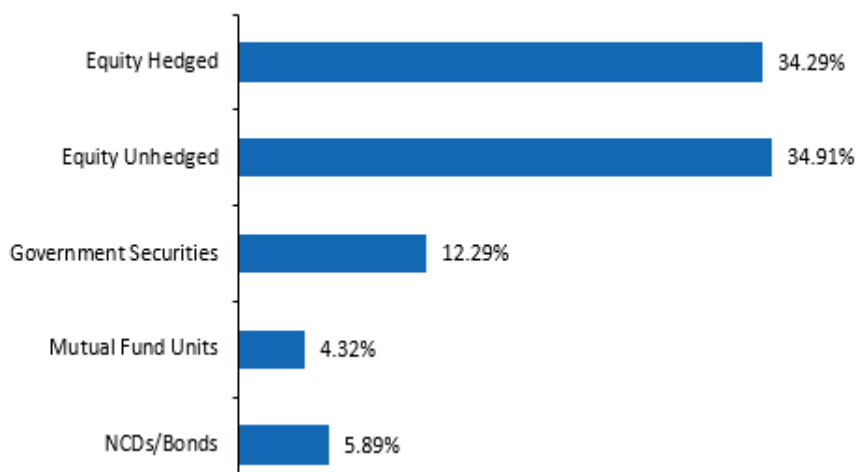
Top 10 Sectors

| Sector | Allocation |
|------------------------------|------------|
| Financial Services | 28.78 |
| Information Technology | 9.26 |
| Fast Moving Consumer Goods | 9.12 |
| Oil Gas And Consumable Fuels | 6.28 |
| Construction Materials | 4.10 |
| Healthcare | 3.17 |
| Services | 2.49 |
| Power | 2.00 |
| Telecommunication | 1.57 |
| Construction | 1.51 |

Top 10 Holdings

| Stock | Allocation |
|--|------------|
| Reliance Industries Ltd. | 4.83 |
| HDFC Bank Ltd. | 3.77 |
| ICICI Bank Ltd. | 3.15 |
| Infosys Ltd. | 2.71 |
| Housing Development Finance Corporation Ltd. | 2.59 |
| Kotak Mahindra Bank Ltd. | 1.75 |
| ITC Ltd. | 1.75 |
| Tata Consultancy Services Ltd. | 1.53 |
| Bharti Airtel Ltd. | 1.53 |
| Larsen & Toubro Ltd. | 1.51 |

Asset Allocation



Portfolio Construction

The fund is made up of three constituent portfolios:

- Equity and Related Instruments (REITs & InvITs)
- Arbitrage (Equity & Commodity Arbitrage)
- Fixed Income

Equity Portfolio

The equity portfolio generally consists of 30-40 securities, which are generally large cap stocks and are market leaders of their sectors and categories. The unhedged equity portfolio is targeted towards low beta stocks. Portfolio design is aimed at containing drawdowns and better risk-adjusted return potential for the investor. The fund has also taken positions in InvITs to add stability to the portfolio.

Arbitrage Positions

The fund also uses some equity and commodity arbitrage positions in precious metals. The fund uses a hedged equity positions (~34% of the portfolio) to managed market volatility.

Debt Portfolio (~18% of the Portfolio)

About 18% of the portfolio is invested in Fixed Income securities. This is a high quality portfolio, with ~12% of the securities are SOV papers and the balance in AAA papers. The fund has an average maturities of 1.42 Years and YTM of 7.52%. This portion of the fund is managed on a HTM basis. The aim is to gain returns through accruals.

The fund shows lower volatility than equity markets and could be suitable for investors with an investment horizon of 6-18 months and seeking efficient equity-based taxation.