

The secret lies in the **technique**

**Aim to create wealth by using
a smart investing technique of**

- ✓ Right Asset
- ✓ Right Time
- ✓ Right Allocation



ICICI Prudential

Asset Allocator Fund (FOF)

A smart technique for wealth creation

An open ended fund of funds scheme investing in equity oriented schemes, debt oriented schemes and gold ETF/ schemes

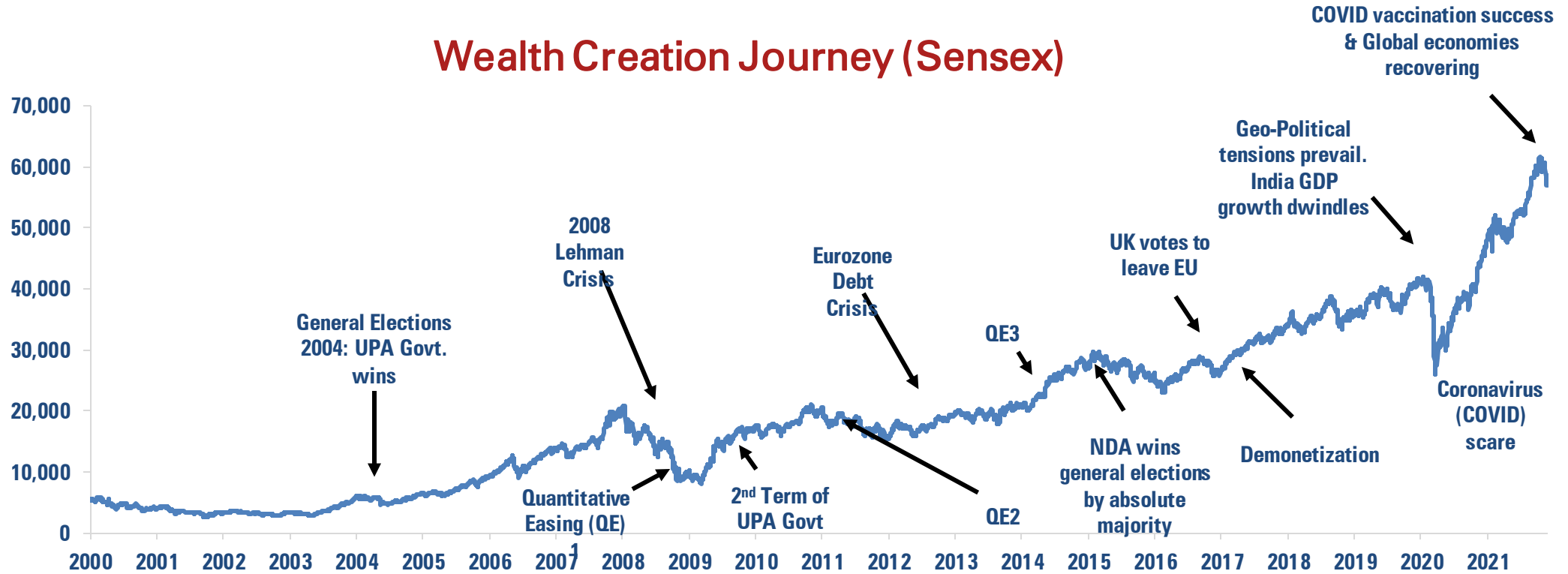
The asset allocation and investment strategy will be as per the Scheme Information Document. Investors may please note that they will be bearing the recurring expenses of this Scheme in addition to the expenses of the underlying schemes in which the scheme makes investment.



TARAKKI KAREIN!

**Equity Market tends to outperform over long term.
A significant event can trigger volatility in markets**

Wealth Creation Journey (Sensex)





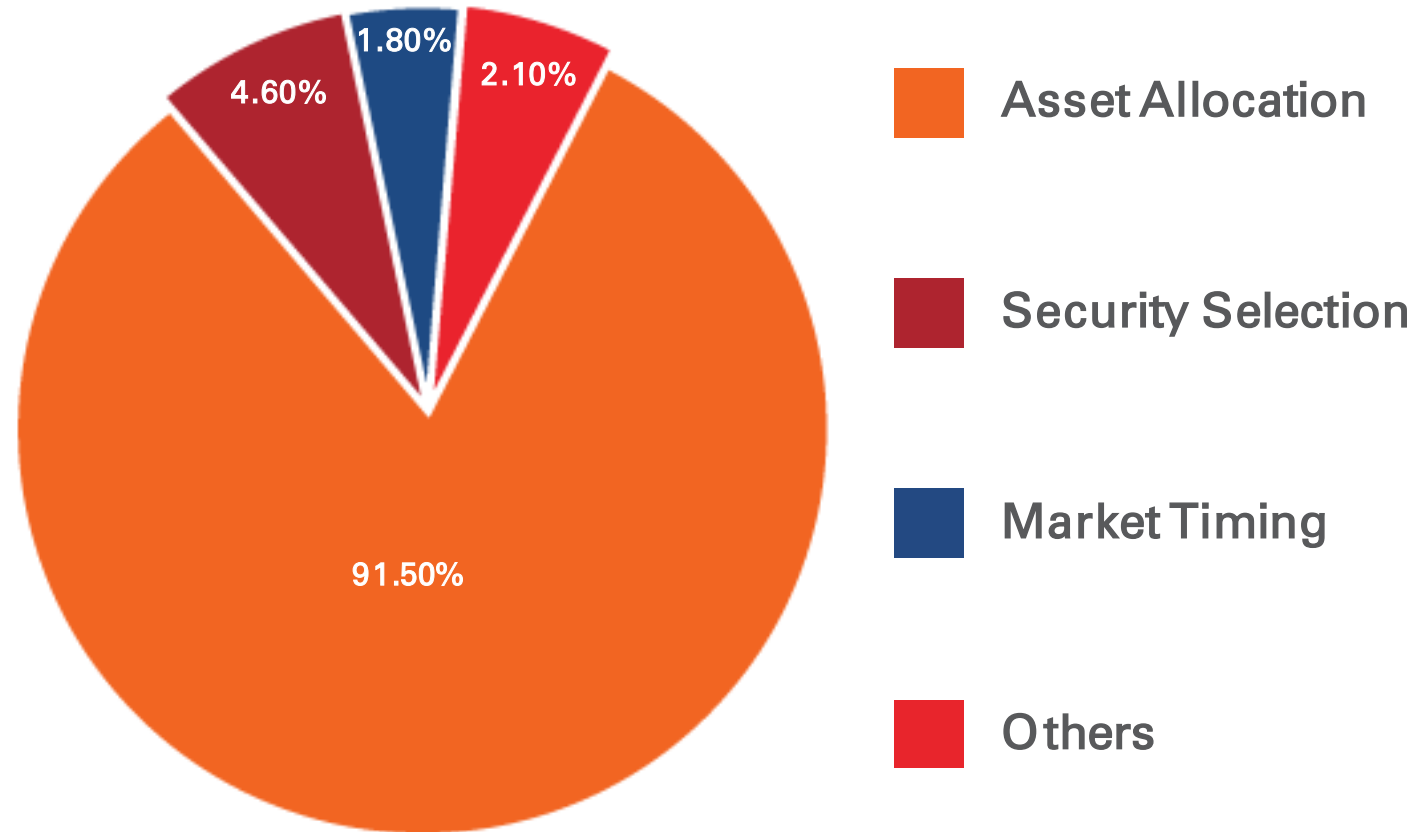
Equity Market return profile across Market Cycles

Year	Equity	G-sec
2006	42	5
2007	57	6
2008	-51	28
2009	78	-9
2010	19	3
2011	-24	2
2012	29	11
2013	8	-1
2014	33	14
2015	-3	7
2016	4	15
2017	30	0
2018	6	6
2019	13	11
2020	16	9

- Winners keep rotating
- Asset classes perform based on the market cycle
- Equity markets tend to generally perform well during Expansionary phase
- Debt markets tend to generally perform well during Contractionary phase
- Shift of allocation between asset classes can help ensure a smoother investment journey

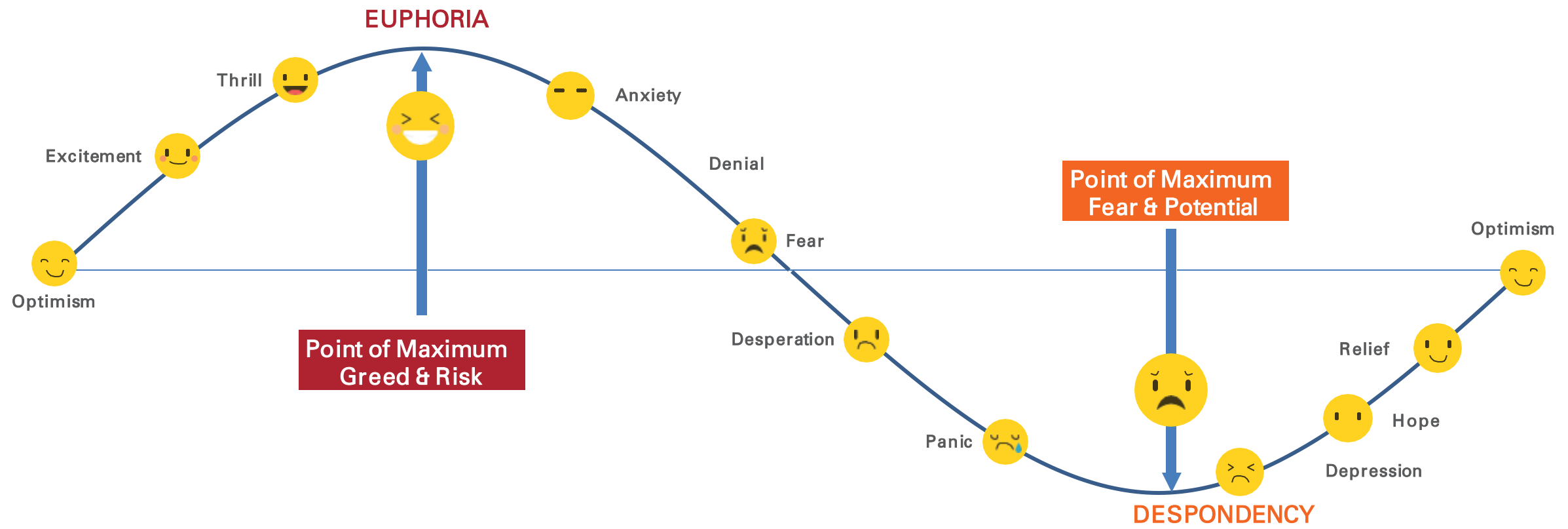


Allocation towards the right asset class is a key determinant for portfolio performance over a long run



Greed and Fear: Various Reactions of an Investor

Greed & Fear



Investor Actions During Various Market Cycles



“Be fearful when others are greedy and be greedy when others are fearful” - Warren Buffet

However, investors often do the reverse. This has been exhibited by the below scenarios:

Market Valuations	Date	PE Ratio	PB Ratio	Mcap to GDP	DII Flows (Rs. Crores)
HIGH	Sep-18	23.81	2.92	82%	12,504
	Aug-17	23.12	2.95	80%	16,205
	Sep-17	22.68	2.92	83%	21,026
	Feb-18	22.49	3.12	86%	17,813

Market Valuations	Date	PE Ratio	PB Ratio	Mcap to GDP	DII Flows (Rs. Crores)
LOW	Sep-13	15.34	2.25	60%	-9,130
	Sep-12	15.66	2.67	70%	-9,160
	Jan-13	16.3	2.69	70%	-17,542
	Mar-14	16.86	2.39	66%	-13,140

Source: BSE India., NSE India, PE – Price to Earnings Ratio, PB – Price to Book Ratio, MCAP – Market Cap, GDP – Gross Domestic Product, DII – Domestic Institutional Investors

So what is the solution to this?



The solution is very simple:

- 1) "Allocating to right asset at the right time"
- 2) "Buy low, Sell High" Approach for equity allocation.

Solution may look simple, however the same is difficult to implement and investors frequently end up doing the opposite.



Challenges: Static v/s Asset Allocation



Frequency of
re-balancing



Operational hassles
like paper work and
limited man-power



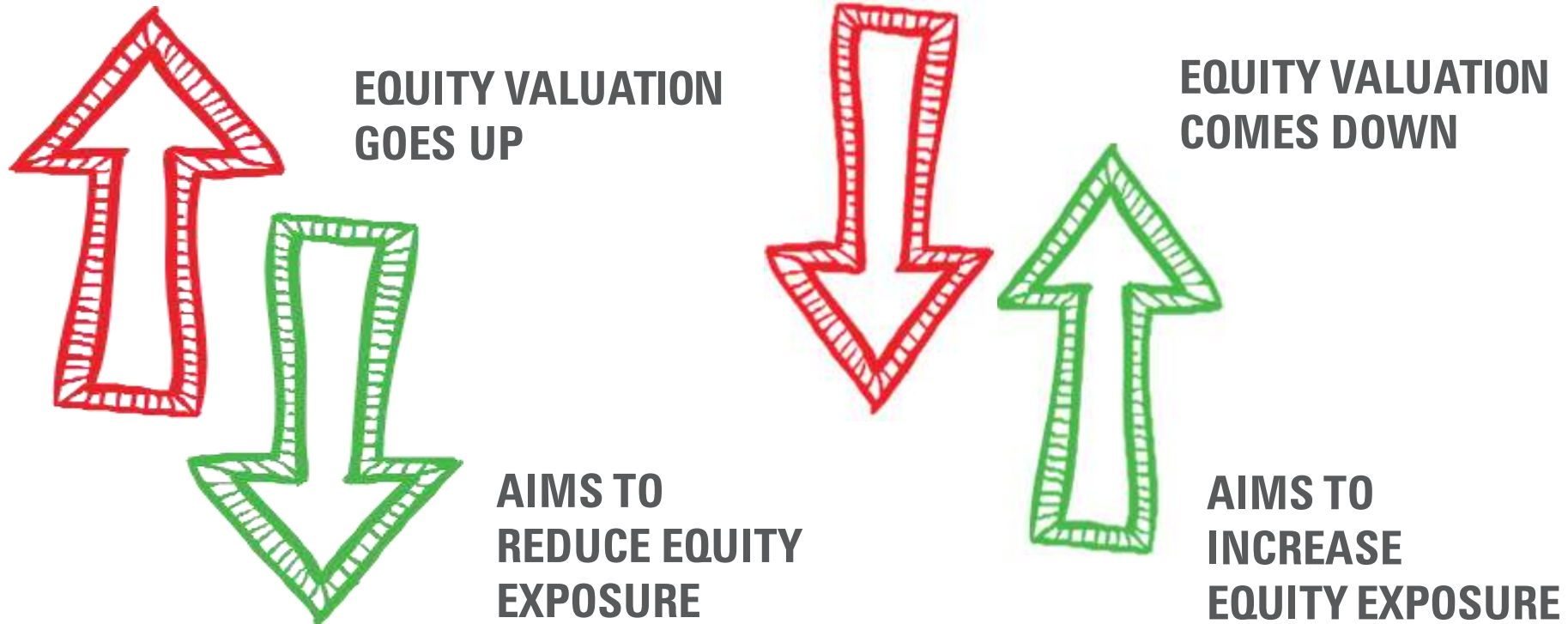
Exit load structure
of the scheme



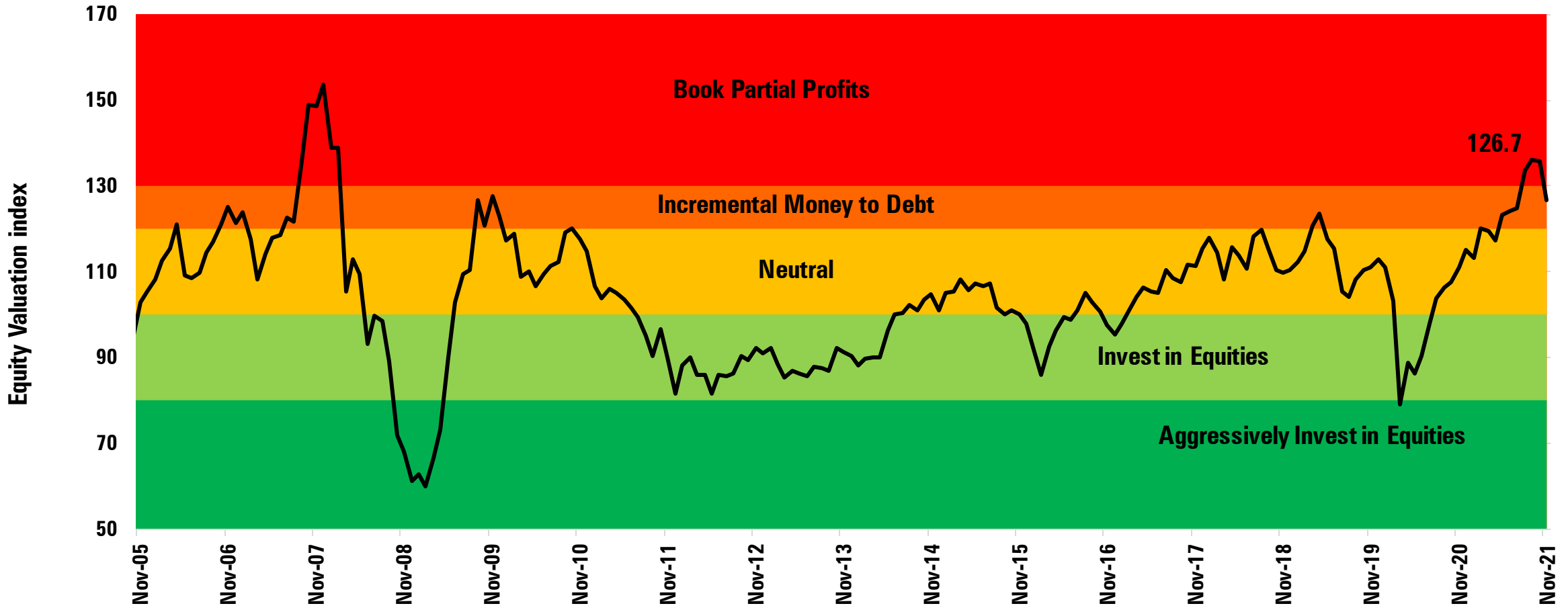
Taxation on gain
on re-balancing



An In house Market Valuation Model follows “Buying Low and Selling High” approach while keeping human emotions aside



In House Equity Valuation Index



Equity valuation index is calculated by assigning equal weights to Price to equity (PE), Price to book (PB), G-Sec*PE and Market Cap to Gross Domestic Product (GDP)

Equity Valuation index is calculated by assigning equal weights to Price-to-Earnings (PE), Price-to-Book (PB), G-Sec*PE and Market Cap to GDP ratio. G-Sec – Government Securities. GDP – Gross Domestic Product, Data as Nov 30, 2021

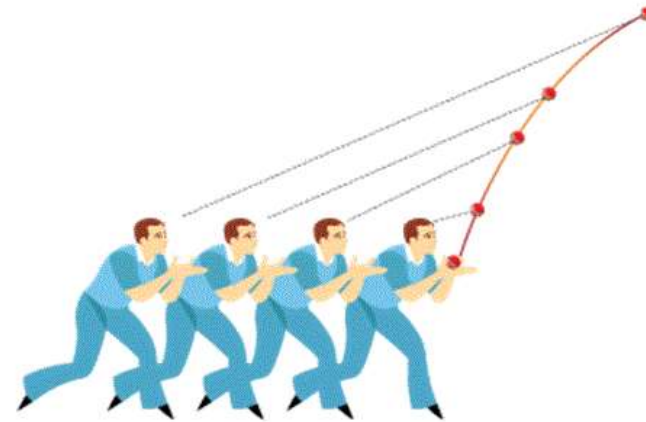
How to catch a Cricket Ball ?

Option: 1

$$y = (v_0 \sin \theta) \left(\frac{x}{v_0 \cos \theta} \right) - \frac{1}{2} g \left(\frac{x}{v_0 \cos \theta} \right)^2$$
$$= (\tan \theta) x - \left(\frac{g}{2(v_0 \cos \theta)^2} \right) x^2$$
$$= (\tan \theta) x - \left(\frac{g \sec^2 \theta}{2(v_0)^2} \right) x^2$$

???

Option: 2



- Fix your gaze on the ball
- Start Running
- Adjust your running Speed so that the angle of gaze remains constant

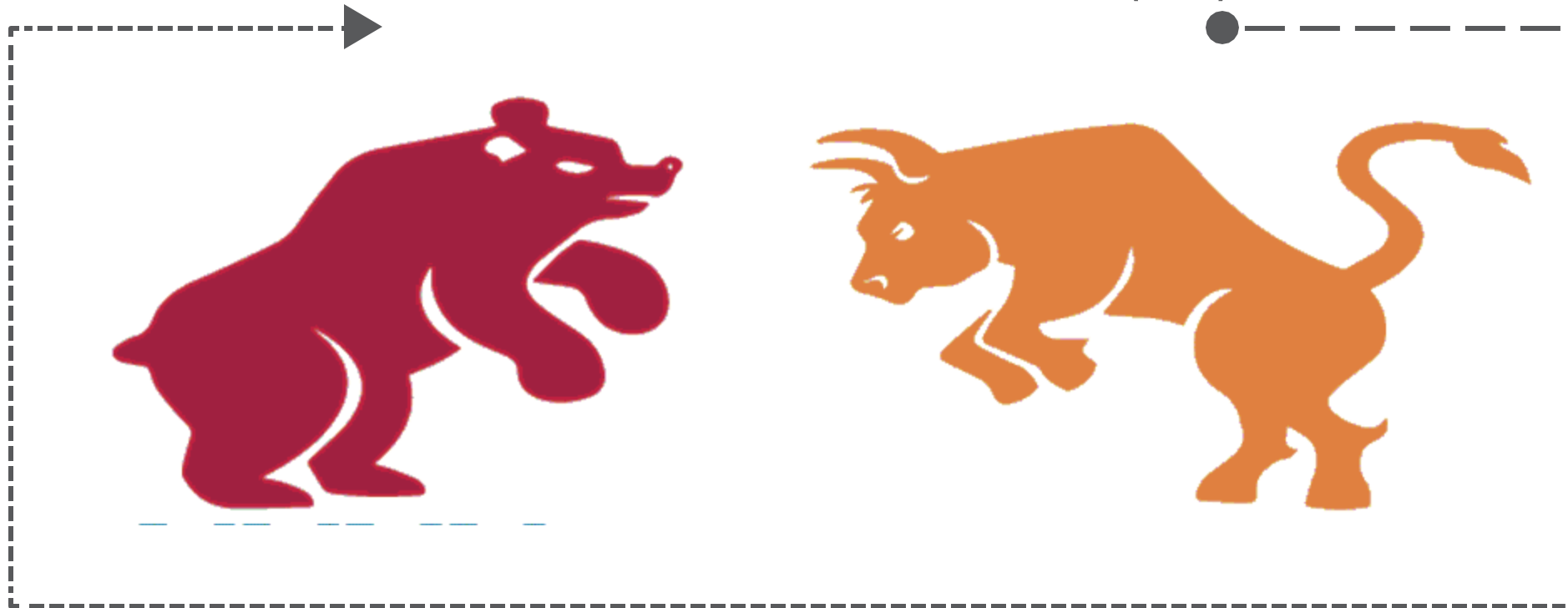
**We tend to Follow a Simple Counter Cyclical Model:
Buy Low & Sell High Approach**

A Scheme that aims to ALLOCATE to the Right ASSETS at the Right TIME



Presenting

ICICI Prudential Asset Allocator Fund (FOF)



A Scheme that aims to ALLOCATE to the Right ASSETS at the Right TIME



This Scheme aims to capture the optimum allocation of Debt & Equity based on the attractiveness of one asset class over the other.



Allocation between asset classes

- The Scheme will be actively managed by Fund Managers having expertise of equity and debt markets.
- The Scheme allocates predominantly between equity and debt mutual fund schemes based on in-house valuation model.

The Right Allocation is not only dependent on Equity Valuation, also considers the opportunities that are available in Debt Market.

The asset allocation and investment approach will be as per Scheme Information Document.



- Active Asset Allocation
- Diversification between asset classes
- Periodic review and re-balancing*
- Aim to generate better risk adjusted returns
- Debt taxation with indexation benefits

Portfolio Allocation



Scheme Name	Type	Holding (%)
ICICI Prudential Banking and Financial Services Fund - Direct - Growth	Equity	7.2%
ICICI Prudential Business Cycle Fund - Direct - Growth	Equity	4.6%
ICICI Prudential Pharma Healthcare and Diagnostics Fund - Direct Plan - Growth	Equity	4.3%
ICICI Prudential India Opportunities Fund - Direct Plan - Growth	Equity	3.8%
ICICI Prudential Value Discovery Fund - Direct Plan - Growth	Equity	3.8%
ICICI Prudential Technology Fund - Direct Plan - Growth	Equity	2.9%
ICICI Prudential Exports and Services Fund - Direct - Growth	Equity	1.3%
ICICI Prudential FMCG Fund - Direct Plan - Growth	Equity	1.1%
ICICI Prudential US Bluechip Equity Fund- Direct Plan - Growth	Equity	0.7%
ICICI Prudential Dividend Yield Equity Fund Direct - Growth	Equity	0.7%
ICICI Prudential Infrastructure Fund - Direct Plan - Growth	Equity	0.3%
ICICI Prudential Savings Fund - Direct - Growth	Debt	21.3%
ICICI Prudential All Seasons Bond Fund - Direct Plan - Growth	Debt	11.4%
ICICI Prudential Floating Interest Fund - Direct Plan	Debt	10.1%
ICICI Prudential Ultra Short Term Fund – Direct Plan – Growth	Debt	6.7%
ICICI Prudential Short Term - Direct Plan - Growth Option	Debt	4.5%
ICICI Prudential Gilt Fund - Direct Plan - Growth	Debt	2.3%
ICICI Prudential Medium Term Bond Fund – Direct Plan - Growth	Debt	1.2%
ICICI Prudential Corporate Bond Fund – Direct Plan - Growth	Debt	0.7%
ICICI Prudential Credit Risk Fund – Direct Plan – Growth	Debt	0.6%
ICICI Prudential Gold ETF	Gold	8.0%

Source: MFI, MFI Explorer is a tool provided by ICRA Online Ltd. For their standard disclaimer please visit <http://www.icraonline.com/legal/standard-disclaimer.html> . Data as on Nov 30, 2021. Past performance may or may not be sustained in future. The asset allocation and investment approach will be as per Scheme Information Document. Please refer to the SID for investment pattern, approach and risk factors. The investment in the underlying schemes is in the Direct Option and remaining allocation is towards Short Term Debt and net current assets. The schemes mentioned above do not constitute any recommendation and ICICI Prudential Asset Allocator Fund (FOF) may or may not have any future position in the above schemes. **Pursuant to change in fundamental attributes and introduction of ETCD's *FPI investors will not be allowed to invest in the scheme. Kindly refer website for more details."



Minimum application amount	The minimum application amount for the Scheme is Rs.5,000 (and in multiples of Re. 1)
Entry/ Exit Load	<p>Entry Load – Not applicable</p> <p>Exit Load :</p> <p>If units purchased or switched in from another scheme of the Fund are redeemed or switched out upto 10% of the units purchased or switched within 1 year from the date of allotment – Nil</p> <p>If units purchased or switched in from another scheme of the Fund are redeemed or switched out More than 10% of units within 1 Year from the date of allotment - 1% of the applicable NAV</p> <p>If units purchased or switched in from another scheme of the Fund are redeemed or switched out after 1 Year from the date of allotment – Nil</p>
Benchmark	CRISIL Hybrid 50 + 50 – Moderate Index
Fund Manager	S. Naren, Dharmesh Kakkad (Equity Portion) & Manish Banthia (Debt Portion)
SIP/STP/SWP	Available



ICICI Prudential Asset Allocator Fund (FoF) (An open ended fund of funds scheme investing in equity oriented schemes, debt oriented schemes and gold ETFs/ schemes) is suitable for investors who are seeking*:

- Long term wealth creation
- An open ended fund of funds scheme investing in equity oriented schemes, debt oriented schemes and gold ETF/schemes.

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

Scheme Benchmark: Crisil Hybrid 50 + 50 - Moderate Index

SCHEME RISKOMETER



Investors understand that their principal will be at Moderately High risk .

BENCHMARK RISKOMETER



Benchmark riskometer is at High risk.

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis as per SEBI circular dated October 05, 2020 on Product Labelling in Mutual Fund schemes - Risk-o-meter. Please refer to <https://www.icicipruamc.com/news-and-updates/all-news> for more details.

Investors may please note that they will be bearing the recurring expenses of this Scheme in addition to the expenses of the underlying Schemes in which this Scheme makes investment.



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

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