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MUTUAL  
FUND

Aim to hit the right note

# Mahindra Manulife Business Cycle Fund

(An open ended equity scheme following business cycles based investing theme)



September 30, 2023

## Why Business Cycle Fund?

- Business Cycle fund aims to identify and invest in select sectors based on the market and economic dynamics.
- Skilled fund managers can strategically rotate the portfolio's sectoral allocation to capture outperformance during specific phases of the business cycle.
- The Funds are designed to be flexible and adaptive to changing economic & market conditions.
- Investing in a business cycle fund allows investors to participate in the growth potential of different sectors and industries as the economy progresses through different phases of the cycle.

## Asset Allocation (%)

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	High/Moderate/Low
Equity and Equity related instruments of companies selected based on the business cycle theme <sup>A</sup>	80%	100%	Very High
Equity and Equity related instruments of companies other than above	0%	20%	Very High
Debt and Money Market Securities <sup>#</sup> (including TREPS (Tri-Party Repo) and Reverse Repo in Government Securities)	0%	20%	Low to Moderate
Units issued by REITs & InvITs	0%	10%	Very High

<sup>A</sup>Including derivative instruments to the extent of 50% of the equity component of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time under the Regulations and subject to guidelines issued by SEBI/RBI from time to time. The Scheme may utilize the entire available equity derivatives exposure limit as provided above, for hedging purpose. However, the equity derivatives exposure towards non-hedging purpose shall not exceed 20% of the net assets of the Scheme subject to maximum derivatives exposure as defined above (i.e. 50% of the equity component of the Scheme). The margin money deployed on derivative positions would be included in the Debt and Money Market Securities category.

<sup>#</sup>The Scheme may invest in Foreign Securities (including units/securities issued by overseas mutual funds with similar investment objective or strategy / Foreign Securities having business cycle theme) up to 20% of the net assets of the Scheme in compliance with SEBI Circular(s) / guideline(s) pertaining to overseas investments by mutual funds/ ETFs, as amended from time to time. The Scheme intends to invest US\$ 5 million in Overseas securities within six months from the date of the closure of the New Fund Offer (NFO) of the Scheme. Thereafter, the Scheme shall invest in Foreign Securities as per the limits available to 'Ongoing Schemes' in terms of the clause 12.19 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/ CIR/2023/74 dated May 19, 2023. Further, it is clarified that the above specified limit would be considered as soft limit(s) for the purpose of reporting only by mutual funds on monthly basis in the format prescribed by SEBI.

<sup>#</sup>Money Market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time. For detailed asset allocation, please refer SID/KIM available on our website [www.mahindramanulife.com](http://www.mahindramanulife.com)

## Investment style

- Blend of top-down Business Cycle/Sector identification and bottom-up stock selection approach.
- Portfolio Allocation: Quality companies preferred during the favourable business cycle.
- Concentrated sectoral position based on the stages of Business Cycle.
- Investments across market capitalization.

## Top 10 Equity Holdings (as on September 30, 2023)

Security	% to Net Assets
Reliance Industries Limited	5.46%
State Bank of India	4.32%
Grasim Industries Limited	3.14%
NTPC Limited	2.82%
Infosys Limited	2.79%
Indus Towers Limited	2.48%
Axis Bank Limited	2.46%
Piramal Enterprises Limited	2.26%
Canara Bank	2.03%
Bharti Airtel Limited	2.00%
<b>Total</b>	<b>29.76%</b>

Data as on September 30, 2023

C No. 01705

C No. 01753

## Scheme Details

### Investment Objective:

The Scheme shall seek to generate long term capital appreciation by investing predominantly in equity and equity related securities with a focus on identifying and investing in business cycles through dynamic allocation between various sectors and stocks at different stages of business cycles in the economy. However, there is no assurance that the objective of the Scheme will be realized.

### Fund Manager:

#### Mr. Krishna Sanghavi

**Total Experience:** 27 years | **Experience in managing this fund:** (Managing since September 11, 2023)

#### Mr. Renjith Sivaram

**Total Experience:** 13 years | **Experience in managing this fund:** (Managing since September 11, 2023)

#### Mr. Kush Sonigara<sup>5</sup>

**Total Experience:** 12 years | **Experience in managing this fund:** (Managing since September 11, 2023)

**Date of allotment:** September 11, 2023

**Benchmark:** NIFTY 500 TRI (First Tier Benchmark)\*

\*Also referred as NSE 500 TRI, as per the list of benchmark indices (1st tier benchmarks) published by AMFI.

**Option:** IDCW (IDCW Option will have IDCW Reinvestment (D) & IDCW Payout facility) and Growth (D) D-Default

**Minimum Application Amount:** Rs. 1000 and in multiples of Rs. 1 thereafter

**Minimum Additional Purchase Amount:** Rs. 1,000/- and in multiples of Re. 1/- thereafter

**Minimum Repurchase Amount:** Rs. 1,000/- or 100 units or account balance, whichever is lower

**Minimum Weekly & Monthly SIP Amount:** Rs 500 and in multiples of Rs 1/- thereafter

**Minimum Weekly & Monthly SIP installments:** 6

**Minimum Quarterly SIP Amount:** Rs 1,500 and in multiples of Rs 1/- thereafter

**Minimum Quarterly SIP installments:** 4

**Monthly AAUM as on September 30, 2023 (Rs. in Cr.):** 298.59

**Quarterly AAUM as on September 30, 2023 (Rs. In Cr.):** 97.37

**Monthly AUM as on September 30, 2023 (Rs. in Cr.):** 463.85

**Entry Load:** Not applicable

**Exit Load:** • An Exit Load of 1% is payable if Units are redeemed / switched-out upto 3 months from the date of allotment;

• Nil if Units are redeemed / switched-out after 3 months from the date of allotment.

Redemption /Switch-Out of Units would be done on First in First out Basis (FIFO).

<sup>5</sup>Dedicated Fund Manager for Overseas Investments. IDCW: Income Distribution cum Capital Withdrawal

**Note:** The performance data of the Scheme(s) co-managed by Mr. Krishna Sanghavi & Mr. Renjith Sivaram & Mr. Kush Sonigara (Dedicated Fund Manager for Overseas Investments), Mahindra Manulife Business Cycle Fund, has not been provided as the scheme has not completed 6 month

## Business Cycle: Aim to identify cyclical opportunities



### Economic Cycle

- Demand Supply dynamics
- Pricing Power
- Fiscal and Monetary Policy
- Per Capita Penetration
- Consumer Trends
- Technological Trends
- Geo- Political factors

**Top down approach to identify business cycles and sectors**  
+  
**Bottom up stock selection approach looking for cyclical opportunities**



### Market Cycle

- Re-Rating and De-rating
- Incremental Profit pool participation
- Management change
- Valuations
- Liquidity & Flows
- Sentiments (Euphoria & Panic)
- Global market connect
- Ownership pattern

### Distributed by:

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Scheme Name	This Product is Suitable for investors who are seeking*	Scheme Riskometer	Scheme Benchmark	Benchmark Riskometer
<b>Mahindra Manulife Business Cycle Fund</b>	<ul style="list-style-type: none"> <li>• Long term capital appreciation;</li> <li>• Investment predominantly in equity and equity related instruments of business cycle based theme.</li> </ul>	<p><b>RISKOMETER</b> Investors understand that their principal will be at very high risk</p>	<b>NIFTY 500 TRI</b>	<p><b>RISKOMETER</b></p>

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

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