

# Fund Assure

Investment Report, August 2016



Dear Friends,

**The month of August 2016 saw the benchmark index S&P BSE Sensex gain 1.4% while Nifty 50 gained 1.7%. The Mid-cap index, Nifty Free Float Mid-cap 100 surged 4% during the same period.**

On the global front, the minutes of the FOMC meet of the US Federal Reserve (Fed) reflected the intention of the members to keep policy rate hike window open with some members opining that removing policy accommodation would be appropriate as they were generally positive on the US economic outlook as well as the labour market. However, several members were of the view that a possible slowdown in the future pace of hiring would have to be factored in. The Fed Chairperson Janet Yellen had subsequently highlighted that the case for rate hikes has strengthened but would be gradual and over time.

On the domestic front, India's GDP decelerated to 7.1% year on year in the first quarter FY 2017 as against 7.9% registered in the previous quarter and the market expectation of around 7.6%. The gross value added (GVA) decelerated marginally to 7.3% year on year in the first quarter FY 2017 from 7.4% registered in the previous quarter. Agriculture growth decelerated to 1.8% in Q1FY 2017 as against 2.3% in the previous quarter on the back of a weak Rabi (winter) crop season. Industrial growth decelerated to 6% year on year in the first quarter FY 2017 from 7.9% in the previous quarter partly on base effect. Within industry, the growth was led by manufacturing and electricity segments while the mining segment contracted and the construction segment saw muted growth. Services growth accelerated to 9.6% year on year in the first quarter FY 2017 as against 8.7% in the previous quarter.

India's fiscal deficit in the first four months of fiscal FY2017 was at 74% of budget estimates (BE) of the entire fiscal FY 2017, as against 69% in the same period prior fiscal. Expenditure was up 9% year on year during April–July 2016 led by the revenue expenditure growth at 13.7% year on year even as the capital expenditure declined 17.1% year on year. The central government's gross tax collection for the first four months of the fiscal FY 2017 grew 26.7% year on year well above the BE of 11.9% year on year with robust growth in direct tax collection, largely led by higher personal income tax while indirect tax collection was led by higher excise duty and service tax collection. The non-tax revenue is likely to see a robust pick up in the months ahead due to RBI's dividend payout to the government, telecom spectrum auction as well as the government's disinvestment plans.

In a positive development, the government announced the appointment of Dr. Urjit Patel as the new RBI governor for a period of three years with effect from September 2016. Dr Patel had been the RBI deputy governor handling the monetary policy department since 2013 as well as chaired the expert committee that introduced landmark changes to strengthen the monetary policy framework in India.

The cumulative rainfall in the south west monsoon for the period June 1<sup>st</sup>-August 31<sup>st</sup> was at 2.9% below normal. However, Kharif (summer crop) acreage as of September 2<sup>nd</sup> was 3.7% higher than the same period prior year with rice sowing acreage 2.3% higher, coarse cereals' acreage 4.9% higher, oilseed acreage 0.5% higher and pulses acreage surging 32.8% as compared to the prior year. However, there has been a reduction in the acreage of cotton, jute and sugarcane as compared to the prior year.

The trade deficit in July 2016 narrowed to USD 7.8 bn as against USD 8.1 bn in the prior month as imports were lower 19% year on year largely on account lower oil and gold imports. Exports in July contracted 6.8% year on year on account of lower export of petroleum products, engineering goods and cotton yarn fabrics.

The Consumer Price Index (CPI) inflation for July 2016 came in at 6.1%, higher than the market expectation of 5.9% as well as higher than the 5.8% registered in the prior month. The July 2016 CPI inflation print, highest since August 2014, reflected the sustained inflationary pressures seen in food products. Wholesale Price Index (WPI) inflation for July 2016 was at 3.5%, higher than the market expectation of 2.8% as well as higher than the 1.6% registered in the prior month on account of elevated food prices and unfavourable base effects. Going forward, many market experts expect food inflation to trend lower on account of the satisfactory progress of the monsoons and various supply management measures from the government.

Given the improving macroeconomic backdrop, we believe that the equity market offers a reasonable entry point for a long-term investor with a 3-5 year view.

**Team Investment**

## Equity Market Outlook

The month of August 2016 saw the benchmark index S&P BSE Sensex gain 1.4% while Nifty 50 gained 1.7%. The Mid-cap index, Nifty Free Float Mid-cap 100 surged 4% during the same period.

The FIIs were net buyers with inflows of around USD 1.5 bn in the month of August 2016 and the DIIs were net sellers to the tune of USD 0.7 bn with insurance companies' net sellers to the tune of around USD 0.9 bn even as domestic mutual funds were net buyers to the tune of USD 0.2 bn. FII ownership in companies comprising BSE500 was at a record high of 21.2% as on 30<sup>th</sup> June 2016.

The month of August saw continued gains from the Indian equity markets on the back of the passage of the GST Amendment Bill, reasonably dovish guidance on interest rates in the US from the Fed minutes as well as sector specific reform initiatives from the government.

The earnings for the first quarter FY 2017 has positively surprised thus far although the top-line growth has remained muted. The earnings for the fiscal FY 2017 would benefit from a weak base as well as robust domestic consumption on the back of the 7<sup>th</sup> Pay Commission payouts as well as a satisfactory monsoon.

Sixteen states ratified the Constitution Amendment Bill, paving the way to notify the formation of the GST Council, post Presidential assent. The GST Council will finalize details such as rates, categories and rules. Each state will pass the State GST (SGST) bill and the Parliament will pass the Central GST (CGST) and Integrated Goods and Services Tax (IGST) bills. Going forward, Corporate India would shape their business model, especially pertaining to logistics management, around the GST framework, once operational.

In a welcome move to support the construction sector, the Cabinet Committee on Economic Affairs (CCEA) addressed ways to improve the project execution by infusing liquidity for construction companies, improving their balance sheet and thereby mitigating the overall stressed asset situation for banks. The CCEA stated that in case of claims by contractors where the arbitration award is in favor of the contractor but has been subsequently challenged, 75% of the award amount may be released to the contractor against margin-free bank guarantee. This move will benefit the construction sector as this sector has seen an overhang of debt led by pending claims.

RBI has issued guidelines on sale of stressed assets by banks aimed at increasing the number of participants in the stressed asset market, facilitating faster resolution of stressed assets by enhancing price discovery and thereby enabling timely resolution of viable stressed assets. Banks will be allowed to offer stressed assets to other entities such as banks and NBFCs who have requisite capital and expertise in resolving stressed assets.

The economic activity in India has been on an uptick as indicated by the robust August manufacturing and services PMI. Moreover, consumption and industry indicators such as personal credit growth, two wheeler & passenger vehicle sales, tractor volumes and air passenger growth are some of the other pockets of increasing economic activity. Besides, low interest rates and sustained easing liquidity environment should provide a significant boost to aggregate demand benefiting a host of sectors even as monetary policy remains accommodative.

Given the improving macro-economic backdrop, we believe that the equity market offers a reasonable entry point for a long-term investor with a 3-5 year view.

## Debt Market Outlook

Debt market in the month of August 2016 saw the benchmark 10 year Government security (G-sec) close the month at 7.11%, easing by 5 bps over the month even as the 30 year G-sec eased by 13 bps during the same period. On the corporate bond side, the 10 year AAA corporate bond closed the month at around 7.66%, easing by 16 bps over the month. The new 10 year G-sec was announced during last week of the month. The first cut off came in at 6.97%.

In the month of August, the Foreign Portfolio Investors (FPIs) were sellers of Indian debt to the extent of USD 0.44 bn.

The appointment of Dr. Urjit Patel as the RBI Governor was well received by the fixed income market as it ensured a smooth transition with emphasis on continuity in the monetary policy stance of the RBI. Dr Patel, as the chairman of the expert committee on monetary policy, had advocated some key initiatives which have since been institutionalised in the monetary policy formulation such as the current 4% (+/- 2%) inflation targeting framework, adoption of CPI inflation as the predominant inflation metric instead of WPI inflation as well as the proposal to set up the monetary policy committee (MPC) for taking policy decisions.

The minutes of the Technical Advisory Committee on Monetary Policy of the RBI prior to third Bi-monthly monetary policy review in August 2016 reveal that the members were concerned on the tepid global economic environment. On the domestic front, they opined that overall private investment demand continued to be muted even as public investment accounted only for a small share of total gross fixed capital formation in the economy. On the positive side, they noted that stabilizing commodity prices together with a good monsoon and the 7<sup>th</sup> Central Pay Commission (CPC) awards could provide a boost to aggregate demand. On the inflation front, members opined that CPI inflation, while being sticky, saw increased upside risks specifically from rising consumption demand and cost-push shocks in the form of a steady rise in crude prices.

For the third bi-monthly monetary policy review, four of the five members recommended status quo as they were of the view that there was no space for accommodation unless there is substantially lower inflation relative to the target of 5% for March 2017 on a durable basis. They were concerned on the recent uptick in CPI and CPI-food inflation and the possibility of elevated food inflation having second round effects on headline inflation. They opined that although industrial growth remain weak, the improvement in liquidity conditions should help banks pass through past policy rate cuts. One member recommended a reduction in the policy repo rate by 50 bps based on the assessment that there was a high probability of inflation softening to 4-5% by the year end.

In a determined effort to increase the liquidity and depth of the corporate bond market and lower the dependence on the banking system, the RBI unveiled a series of measures such as allowing acceptance of corporate bonds under LAF repo, allowing banks to raise AT 1 and Tier 2 bonds through INR denominated long term bonds in overseas markets (Masala bonds) as well as allowing banks to raise long term bonds for financing infrastructure and affordable housing through the overseas markets. Moreover, FPIs have been allowed to trade directly in the corporate bond market pending required changes to the regulations while brokers authorized as market makers would be allowed to participate in the corporate bond repo market. Large exposure framework now require banks to make higher provisions and higher risk weights on 50% of their incremental lending to large borrowers. On the other hand, smaller borrowers would be capable of issuing bonds as the banks will be now allowed to offer partial credit enhancement of 50% of bond issue size as against 20% earlier.

We continue to remain constructive on the fixed income market and believe that while there seems to be limited room for the RBI to nudge the repo rate lower in the near term, the robust Kharif (summer crop) sowing as well as a shift in sowing pattern towards pulses augurs well for the fall in food inflation trajectory in the medium term, opening up more space for the RBI to nudge the repo rate lower and trigger the next leg of easing in G-sec yields.

Going forward, the RBI's efforts to speed up the monetary transmission in the banking system as well as keeping liquidity at near neutral levels on a sustained basis will be an important factor for bringing down interest rates in the economy.

# Fund Assure, Investment Report, August 2016

Equity Fund

Short Term Fixed  
Income Fund

Income Fund

Liquid Fund

Bond Fund

Balanced Fund

# EQUITY FUND

ULGF 001 02/03/04 E1 110  
Fund Assure, Investment Report, August 2016

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## Fund Details

**Investment Objective:** The primary investment objective of the fund is to generate long term capital appreciation from a portfolio that is invested predominantly in equity and equity linked securities.

**NAV as on 31 August, 16:** ₹56.5174

**Benchmark:** S&P BSE Sensex - 100%

### Investment Style

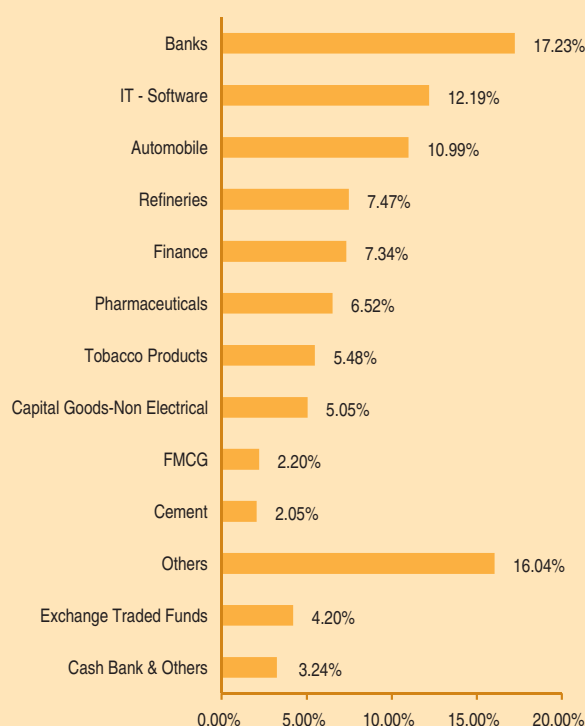
Investment Style			Size
Value	Blend	Growth	Large
			Mid
			Small

## Fund Performance

Period	Date	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 3 Months	31-May-16	52.1512	26667.96	8.37%	6.69%
Last 6 Months	29-Feb-16	45.0396	23002.00	25.48%	23.69%
Last 1 Year	31-Aug-15	50.9485	26283.09	10.93%	8.25%
Last 2 Years	28-Aug-14	50.0885	26638.11	6.22%	3.35%
Last 3 Years	30-Aug-13	34.9585	18619.72	17.37%	15.18%
Last 4 Years	31-Aug-12	32.6493	17429.56	14.70%	13.03%
Last 5 Years	30-Aug-11	31.3364	16676.75	12.52%	11.28%
Since Inception	29-Mar-04	10.0000	5571.37	14.95%	14.01%

**Note:** The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

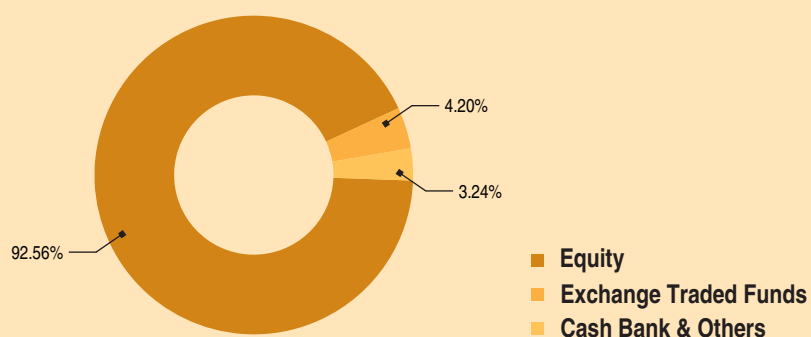
## Sector Allocation



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>92.56</b>
HDFC Bank Ltd.	Banks	7.24
Infosys Technologies Ltd.	IT - Software	6.53
Reliance Industries Ltd.	Refineries	6.34
ITC Ltd.	Tobacco Products	5.48
ICICI Bank Ltd.	Banks	5.24
HDFC Ltd.	Finance	5.12
Tata Motors Ltd.	Automobile	4.37
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	4.24
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.07
Tata Consultancy Services Ltd.	IT - Software	2.99
Mahindra and Mahindra Ltd.	Automobile	2.21
Bajaj Auto Ltd.	Automobile	1.99
Hindustan Unilever Ltd.	FMCG	1.99
HCL Technologies Ltd.	IT - Software	1.92
Coal India Ltd	Mining & Mineral Products	1.87
Other Equity		31.92
<b>Exchange Traded Funds</b>		<b>4.20</b>
Goldman Sachs Banking Index Exchange Traded Scheme		4.20
<b>Cash Bank &amp; Others</b>		<b>3.24</b>
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# SHORT TERM FIXED INCOME FUND

ULGF 004 01/07/06 S1 110  
Fund Assure, Investment Report, August 2016

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## Fund Details

**Investment Objective:** Short Term Fixed Income Fund is a unit linked fund devised with the objective of generating stable returns by investing in fixed income securities having shorter maturity periods. Under normal circumstances, the average maturity of the fund may be in the range of 1-3 years.

**NAV as on 31 August, 16:** ₹20.4654

**Benchmark:** CRISIL India Short Term Bond Index -100%

### Investment Style

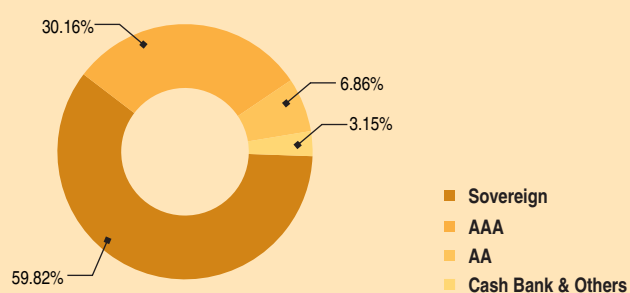
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

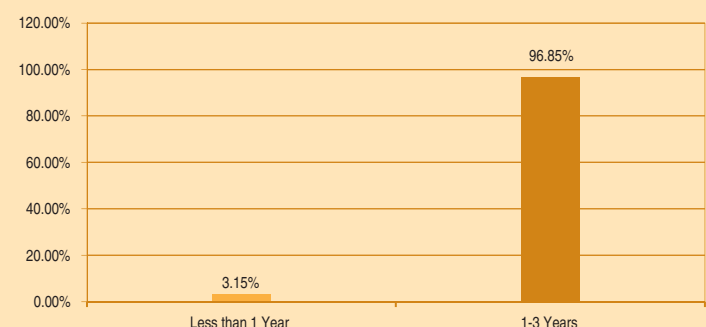
Period	Date	NAV	Crisil Short Term Bond Index	NAV Change	INDEX Change
Last 3 Months	31-May-16	20.0134	2677.07	2.26%	2.86%
Last 6 Months	29-Feb-16	19.5645	2609.02	4.60%	5.54%
Last 1 Year	31-Aug-15	18.8991	2515.34	8.29%	9.47%
Last 2 Years	28-Aug-14	17.3796	2291.16	8.52%	9.63%
Last 3 Years	30-Aug-13	15.8438	2061.27	8.91%	10.14%
Last 4 Years	31-Aug-12	14.8352	1931.78	8.38%	9.27%
Last 5 Years	30-Aug-11	13.6055	1774.44	8.51%	9.19%
Since Inception	03-Jul-06	10.0000	1242.33	7.30%	8.14%

**Note:** The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Rating Profile



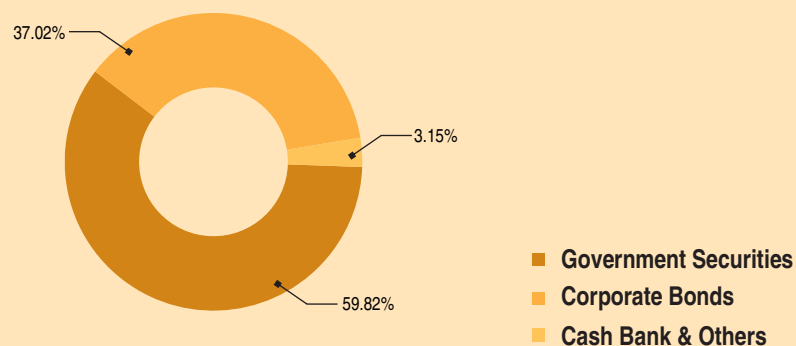
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>59.82</b>
7.28% GOI 03-Jun-19	Sovereign	26.98
7.83% GOI 11-Apr-18	Sovereign	26.95
6.05% GOI 02-Feb-19	Sovereign	5.89
<b>Corporate Bonds</b>		<b>37.02</b>
11.00% IOC Ltd. 10-Sep-18	AAA	7.99
9.43% IRFC Ltd. 23-May-18	AAA	7.76
9.30% Blue Dart Express Ltd. 20-Nov-17	AA	6.86
8.43% IDFC Bank Ltd. 02-Feb-18	AAA	6.08
7.85% PFC Ltd. 15-Apr-19	AAA	6.05
0.00% NHB 24-Dec-18	AAA	2.27
<b>Cash Bank &amp; Others</b>		<b>3.15</b>
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# INCOME FUND

ULGF 002 02/03/04 I1 110  
Fund Assure, Investment Report, August 2016

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## Fund Details

**Investment Objective:** The primary investment objective of the fund is to generate income through investing in a range of debt and money market instruments of various maturities with a view to maximizing the optimal balance between yield, safety and liquidity. The fund will have no investments in equity or equity linked instruments at any point in time.

**NAV as on 31 August, 16:** ₹24.7818

**Benchmark:** CRISIL Composite Bond Index -100%

### Investment Style

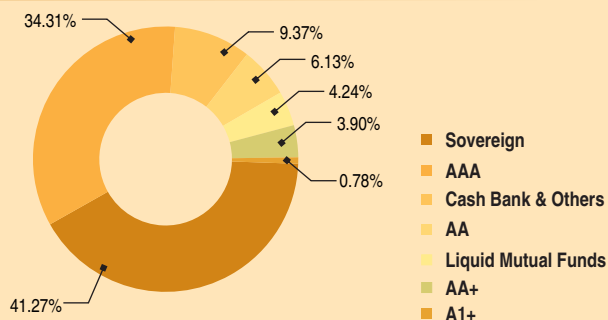
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

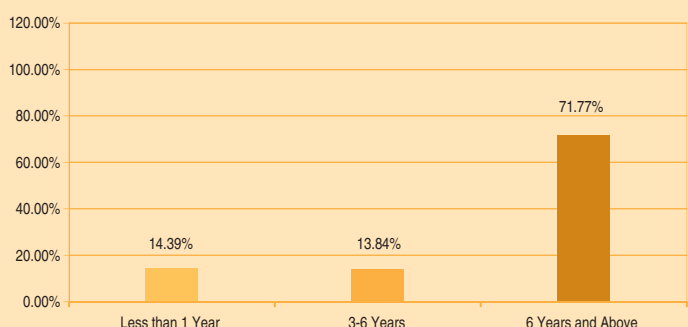
Period	Date	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 3 Months	31-May-16	23.4571	2577.29	5.65%	4.52%
Last 6 Months	29-Feb-16	22.5488	2493.93	9.90%	8.01%
Last 1 Year	31-Aug-15	22.0772	2410.46	12.25%	11.75%
Last 2 Years	28-Aug-14	19.5254	2149.84	12.66%	11.94%
Last 3 Years	30-Aug-13	17.6424	1923.46	11.99%	11.88%
Last 4 Years	31-Aug-12	16.8449	1862.92	10.13%	9.66%
Last 5 Years	30-Aug-11	15.3406	1713.36	10.07%	9.47%
Since Inception	02-Mar-04	10.0000	1193.20	7.53%	6.73%

**Note:** The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Rating Profile



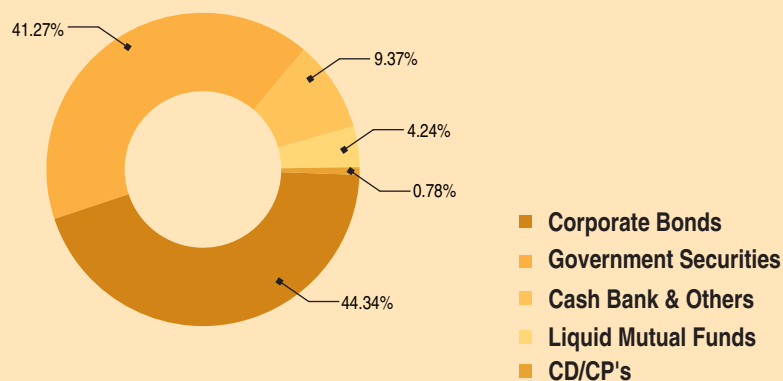
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Corporate Bonds</b>		<b>44.34</b>
2.00% Tata Steel Ltd. 23-Apr-22	AA	6.13
9.24% LIC Housing Finance Ltd 30-Sep-24	AAA	4.41
8.20% PFC Ltd. 10-Mar-25	AAA	4.29
8.25% Exim Bank 23-Jun-31	AAA	3.97
8.85% Yes Bank Ltd. 24-Feb-25	AA+	3.90
8.33% NTPC Ltd. 24-Feb-21	AAA	3.82
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.59
8.17% NHPC Ltd 27-Jun-31	AAA	3.15
8.24% NHPC Ltd 27-Jun-31	AAA	2.36
8.70% IDFC Bank Ltd. 20-May-25	AAA	2.23
8.11% Exim Bank 11-Jul-31	AAA	1.54
8.10% NTPC Ltd. 27-May-31	AAA	0.83
8.13% NPCIL 28-Mar-30	AAA	0.76
8.13% NPCIL 28-Mar-29	AAA	0.76
8.13% NPCIL 28-Mar-28	AAA	0.76
8.13% NPCIL 26-Mar-27	AAA	0.76
8.19% NTPC Ltd. 15-Dec-25	AAA	0.75
9.35% REC Ltd. 15-Jun-22	AAA	0.22
8.93% NTPC Ltd. 19-Jan-21	AAA	0.08
<b>Government Securities</b>		<b>41.27</b>
8.83% GOI 25-Nov-23	Sovereign	8.94
8.40% GOI 28-Jul-24	Sovereign	8.52
8.15% GOI 24-Nov-26	Sovereign	6.43
8.13% GOI 22-Jun-45	Sovereign	4.96
8.17% GOI 01-Dec-44	Sovereign	4.86
7.72% GOI 26-Oct-55	Sovereign	3.99
6.90% GOI 04-Feb-26	Sovereign	3.57
<b>Cash Bank &amp; Others</b>		<b>9.37</b>
<b>Liquid Mutual Funds</b>		<b>4.24</b>
Birla Sun Life Cash Plus - Growth - Direct Plan		4.24
<b>CD/CP's</b>		<b>0.78</b>
State Bank of Hyderabad CD 24-Feb-17	A1+	0.78
<b>Total</b>		<b>100.00</b>

## Asset Allocation





# LIQUID FUND

ULGF 003 02/03/04 L1 110  
Fund Assure, Investment Report, August 2016

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## Fund Details

**Investment Objective:** The primary investment objective of the fund is to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in money market and debt securities. The fund will have no investments in equity or equity linked instruments at any point in time.

**NAV as on 31 August, 16:** ₹22.9704

**Benchmark:** CRISIL Liquid Fund Index -100%

### Investment Style

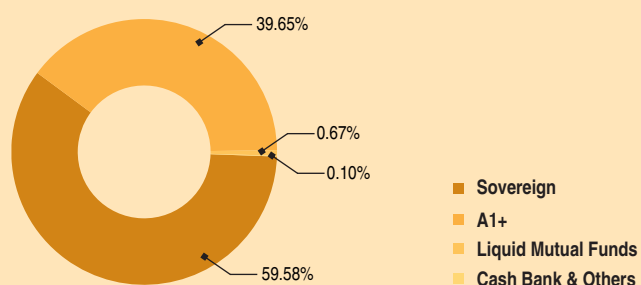
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

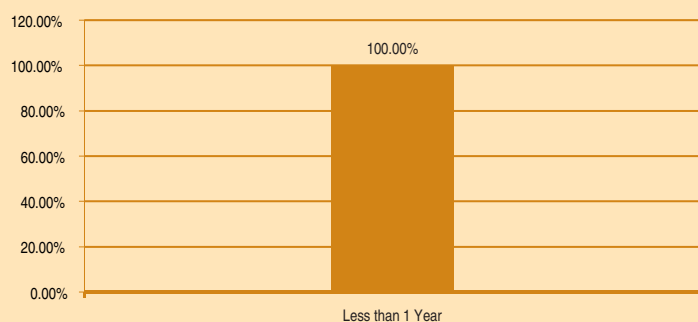
Period	Date	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 3 Months	31-May-16	22.6130	2538.26	1.58%	1.86%
Last 6 Months	29-Feb-16	22.2566	2486.70	3.21%	3.97%
Last 1 Year	31-Aug-15	21.5199	2398.49	6.74%	7.80%
Last 2 Years	28-Aug-14	19.9474	2206.73	7.31%	8.24%
Last 3 Years	30-Aug-13	18.4247	2005.44	7.63%	8.84%
Last 4 Years	31-Aug-12	16.9925	1860.23	7.83%	8.58%
Last 5 Years	30-Aug-11	15.6030	1710.36	8.04%	8.62%
Since Inception	25-May-04	10.0000	1113.63	7.01%	7.10%

**Note:** The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Rating Profile



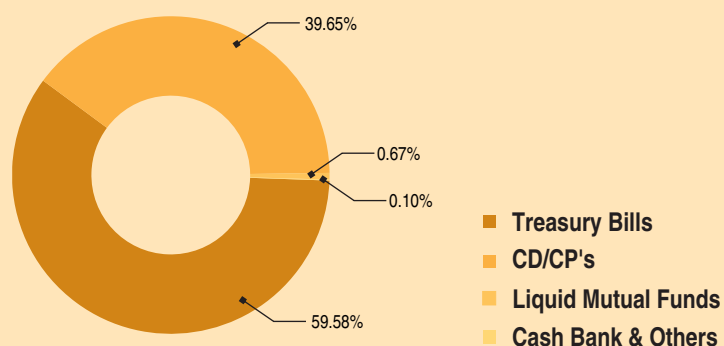
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Treasury Bills</b>		<b>59.58</b>
364 Days Tbill 08-Dec-16	Sovereign	26.46
364 Days Tbill 16-Sep-16	Sovereign	23.25
364 Days Tbill 08-Jun-17	Sovereign	9.86
<b>CD/CP's</b>		<b>39.65</b>
Axis Bank CD 28-Oct-16	A1+	8.97
HDFC Bank CD 29-Dec-16	A1+	8.10
Kotak Mahindra Prime Ltd. CP 21-Jun-17	A1+	7.77
Exim Bank CD 14-Mar-17	A1+	7.49
ICICI Bank CD 28-Jun-17	A1+	7.33
<b>Liquid Mutual Funds</b>		<b>0.67</b>
Birla Sun Life Cash Plus - Growth - Direct Plan		0.67
<b>Cash Bank &amp; Others</b>		<b>0.10</b>
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# BOND FUND

ULGF 005 17/08/07 BO 110  
Fund Assure, Investment Report, August 2016

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## Fund Details

**Investment Objective:** The primary investment objective of the fund is to generate income through investing in a range of debt and money market instruments of various maturities with a view to maximizing the optimal balance between yield, safety and liquidity. The fund will have no investments in equity or equity linked instruments at any point in time.

**NAV as on 31 August, 16:** ₹21.1825

**Benchmark:** CRISIL Composite Bond Index -100%

### Investment Style

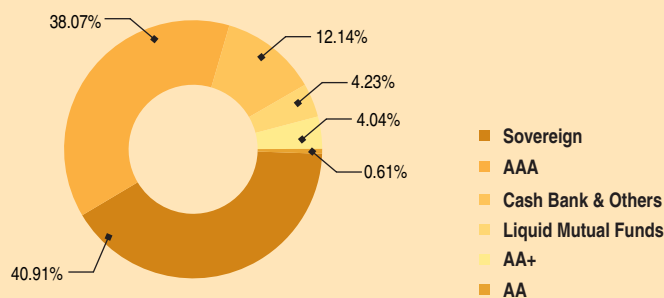
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

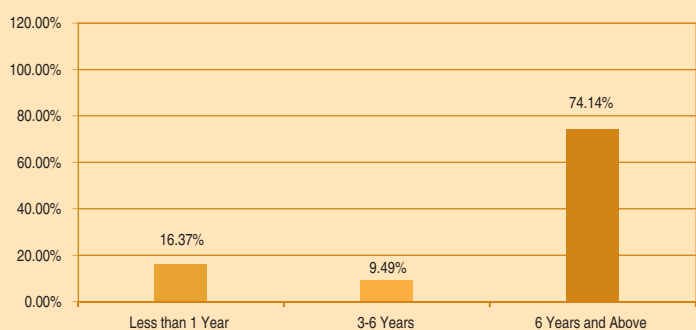
Period	Date	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 3 Months	31-May-16	20.0465	2577.29	5.67%	4.52%
Last 6 Months	29-Feb-16	19.3149	2493.93	9.67%	8.01%
Last 1 Year	31-Aug-15	18.8446	2410.46	12.41%	11.75%
Last 2 Years	28-Aug-14	16.6965	2149.84	12.64%	11.94%
Last 3 Years	30-Aug-13	15.1186	1923.46	11.90%	11.88%
Last 4 Years	31-Aug-12	14.3688	1862.92	10.19%	9.66%
Last 5 Years	30-Aug-11	13.0960	1713.36	10.10%	9.47%
Since Inception	17-Aug-07	10.0000	1339.53	8.65%	8.03%

**Note:** The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Rating Profile



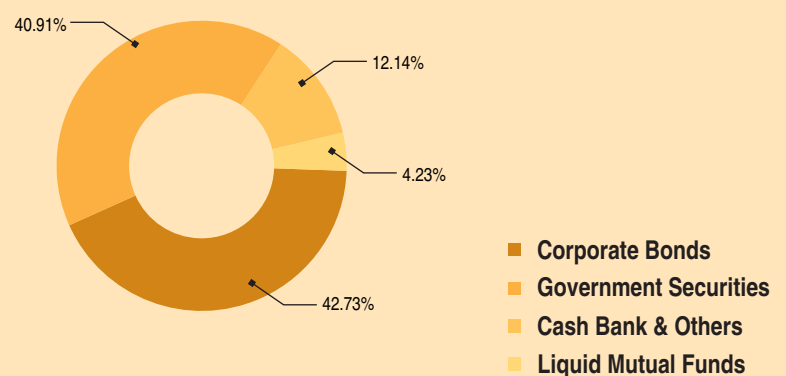
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Corporate Bonds</b>		<b>42.73</b>
8.57% LIC Housing Finance Ltd. 18-Jul-25 (Put 20-09-2018 Call-N.A.)	AAA	6.28
8.17% NHPC Ltd 27-Jun-31	AAA	4.67
8.20% PFC Ltd. 10-Mar-25	AAA	4.30
8.85% Yes Bank Ltd. 24-Feb-25	AA+	4.04
8.25% Exim Bank 23-Jun-31	AAA	3.86
8.33% NTPC Ltd. 24-Feb-21	AAA	3.79
9.48% REC Ltd. 10-Aug-21	AAA	2.59
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.50
8.24% NHPC Ltd 27-Jun-31	AAA	2.35
8.70% IDFC Bank Ltd. 20-May-25	AAA	2.05
8.11% Exim Bank 11-Jul-31	AAA	1.49
8.13% NPCIL 28-Mar-30	AAA	0.84
8.13% NPCIL 28-Mar-29	AAA	0.84
8.13% NPCIL 26-Mar-27	AAA	0.84
8.19% NTPC Ltd. 15-Dec-25	AAA	0.83
2.00% Tata Steel Ltd. 23-Apr-22	AA	0.61
<b>Government Securities</b>		<b>40.91</b>
8.83% GOI 25-Nov-23	Sovereign	8.86
8.40% GOI 28-Jul-24	Sovereign	8.48
8.15% GOI 24-Nov-26	Sovereign	6.39
8.13% GOI 22-Jun-45	Sovereign	4.98
8.17% GOI 01-Dec-44	Sovereign	4.88
7.72% GOI 26-Oct-55	Sovereign	4.00
6.90% GOI 04-Feb-26	Sovereign	3.33
<b>Cash Bank &amp; Others</b>		<b>12.14</b>
<b>Liquid Mutual Funds</b>		<b>4.23</b>
Birla Sun Life Cash Plus - Growth - Direct Plan		4.23
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# BALANCED FUND

ULGF 006 17/08/07 BL 110  
Fund Assure, Investment Report, August 2016

**TATA AIA LIFE**  
making Good happen

## Fund Details

**Investment Objective:** The objective of the fund is to supplement the income generation from the fixed income instruments with capital appreciation of the equity assets.

**NAV as on 31 August, 16:** ₹20.0587

**Benchmark:** Nifty 50 - 10%

CRISIL Composite Bond Index - 90%

### Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

### Equity Investment Style

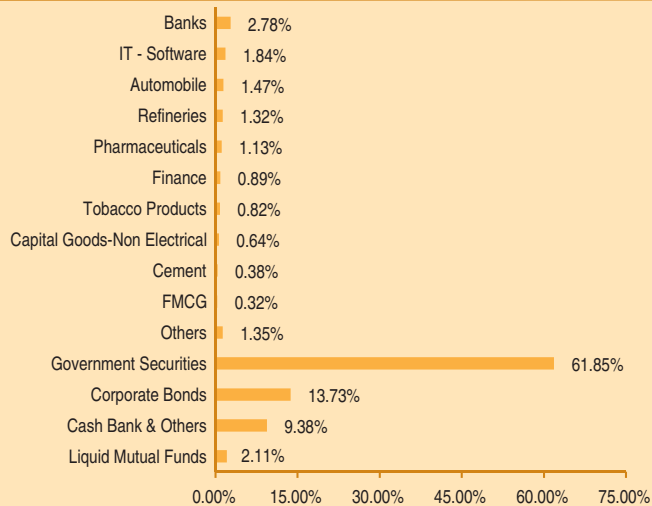
Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

## Fund Performance

Period	Date	NAV	NAV Change	INDEX Change
Last 3 Months	31-May-16	19.0688	5.19%	4.83%
Last 6 Months	29-Feb-16	18.1492	10.52%	9.78%
Last 1 Year	31-Aug-15	18.0363	11.21%	11.60%
Last 2 Years	28-Aug-14	16.5123	10.22%	11.25%
Last 3 Years	30-Aug-13	14.2134	12.17%	12.40%
Last 4 Years	31-Aug-12	13.5302	10.34%	10.06%
Last 5 Years	30-Aug-11	12.5649	9.81%	9.72%
Since Inception	17-Aug-07	10.0000	8.00%	8.10%

**Note:** The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

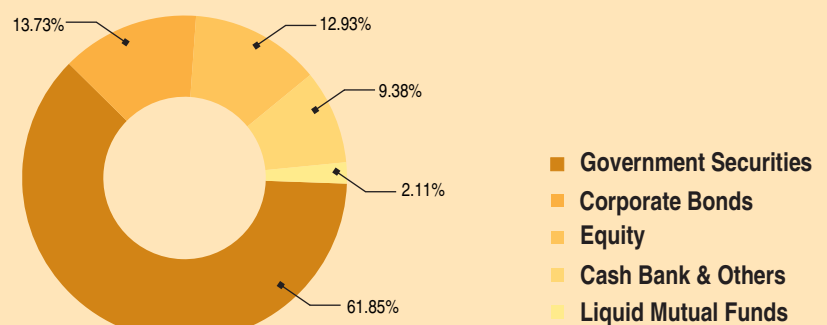
## Sector Allocation



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>61.85</b>
8.17% GOI 01-Dec-44	Sovereign	13.39
7.59% GOI 11-Jan-26	Sovereign	11.27
8.40% GOI 28-Jul-24	Sovereign	9.99
7.72% GOI 25-May-25	Sovereign	9.76
8.24% GOI 10-Nov-33	Sovereign	6.92
7.28% GOI 03-Jun-19	Sovereign	6.28
8.83% GOI 25-Nov-23	Sovereign	4.24
<b>Corporate Bonds</b>		<b>13.73</b>
8.98% PFC Ltd. 08-Oct-24 (Put-08-10-2016 Call-N.A)	AAA	5.45
9.97% IL&FS 28-Sep-16	AAA	4.22
8.49% NTPC Ltd. 25-Mar-25	AAA	3.13
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	0.94
<b>Equity</b>		<b>12.93</b>
Infosys Technologies Ltd.	IT - Software	1.09
HDFC Bank Ltd.	Banks	1.09
Reliance Industries Ltd.	Refineries	0.89
HDFC Ltd.	Finance	0.89
ITC Ltd.	Tobacco Products	0.82
ICICI Bank Ltd.	Banks	0.77
Tata Motors Ltd.	Automobile	0.67
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	0.64
Tata Consultancy Services Ltd.	IT - Software	0.53
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.44
Bharat Petroleum Corporation Ltd.	Refineries	0.42
Dr. Reddys Laboratories Ltd.	Pharmaceuticals	0.33
Hindustan Unilever Ltd.	FMCG	0.32
Ultratech Cement Ltd.	Cement	0.28
Axis Bank Ltd.	Banks	0.25
Other Equity		3.50
<b>Cash Bank &amp; Others</b>		<b>9.38</b>
<b>Liquid Mutual Funds</b>		<b>2.11</b>
Birla Sun Life Cash Plus - Growth - Direct Plan		2.11
<b>Total</b>		<b>100.00</b>

## Asset Allocation



### Tata AIA Life Insurance's Investment team

**Harshad Patil**  
Chief Investment Officer

**Cheenu Gupta**  
Senior Analyst & Fund Manager

**Nalin Ladiwala**  
Analyst

**Rajeev Tewari**  
Head of Equities

**Pankaj Khetan**  
Fund Manager

**H S Bharath**  
Dealer

**Jayanth Udupa**  
Head of Credit Analysis & Economist

**Nimesh Mistry**  
Analyst

**Pankaj Agarwal**  
Dealer

**Nitin Bansal**  
Senior Analyst & Fund Manager

**Anirban Ray**  
Analyst

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