

# Fund Assure

Investment Report, July 2016



Dear Friends,

**The month of July 2016 saw the benchmark index S&P BSE Sensex gain 3.9% while Nifty 50 gained 4.2%. The Mid-cap index, Nifty Free Float Mid-cap 100 surged 6.9% during the same period.**

On the global front, the US Federal Reserve (Fed) in its FOMC meet left the fed funds rate unchanged even as it observed that the near term risks to the US economy had diminished. However, the Fed expects that the economic conditions would warrant only gradual increases in the federal funds rate. Meanwhile the US GDP for the second quarter CY 2016 came in below expectations at 1.2% and the print for the first quarter CY 2016 was revised lower to just 0.8%, further reducing the possibility of any steep rate hike cycle.

In an effort to contain the economic impact post Brexit vote, the Bank of England (BoE) cut interest rates for the first time since 2009, revived its bond-buying programme and said it would take "whatever action is necessary" to achieve stability. BoE cut its main lending rate to a record low 0.25% from 0.5%, in line with market expectations and raised the target for quantitative easing through government bond purchases to £435 billion from the £375 billion earlier. BoE expects growth to stagnate in the second half of 2016 but avoid a post-Brexit recession and kept the full-year forecast unchanged at 2%. However, the growth forecast for 2017 was slashed to 0.8% from 2.3% while the 2018 growth forecast was lowered to 1.8% from 2.3%.

Meanwhile, the Bank of Japan (BoJ) left the interest rate and the quantum of government securities purchases unchanged even as it effected an increase in the annual purchase of ETFs. Japan's cabinet approved a government stimulus package as part of an overall spending program, which has a total value of JPY 28 tn (USD276 bn) over several years.

On the domestic front, in a landmark development, the Indian Parliament passed the Constitution (122<sup>nd</sup> Amendment) (GST) Bill. The amendment to the constitution will have to be ratified by at least 50% of the states over the next few months, which would provide a constitutional backing to the formation of the GST Council. Following this, parliament and state legislatures will need to pass GST bills that will detail the central and state GSTs with the GST Council deciding on the GST rates as well as the classification of goods based on the rates.

Overall the passage of GST reform is likely to be growth supportive through efficiency gains and lower effective tax rate and would enable the expansion of the tax base and simplify the tax structure with an inbuilt compliance mechanism. While the GST would accelerate GDP growth and increase the ratio of tax to GDP in the medium term, its near-term impact on inflation will depend on the eventual GST rate and slabs.

The fiscal deficit in April-June 2016 period was 61% of the FY2017 budget estimate with gross tax collections growing by 30.6% led by a 34.5% increase in Indirect tax collections on the back of robust excise duty collection even as direct taxes grew 26%, largely on account of buoyant income tax collections. Total expenditure increased 18.8% with non-plan expenditure increasing 15.3% and plan expenditure registering a growth of 28.2%.

The cumulative rainfall in the south west monsoon for the period June 1<sup>st</sup>-July 27<sup>th</sup> was at 1% surplus. Out of the 36 sub-divisions across India, 11 have received excess rainfall, 17 have received normal rainfall, and eight have received deficient rainfall.

Kharif (summer crop) acreage as of July 29<sup>th</sup> was 6.3% higher than the same period prior year with rice sowing acreage 2.8% higher, coarse cereals' acreage 4.1% higher, oilseed acreage 8% higher and pulses acreage surging 41% as compared to the prior year. However, there has been a reduction in the cotton acreage. Robust monsoon rainfall in the month of July, in addition to enabling a higher acreage of Kharif crops has raised expectations of a higher crop productivity as well.

Trade deficit in the month of June was at USD 8.1 bn; higher than USD6.3 bn in May. The growth in goods exports in June turned positive for the first time in 18 months as it registered an increase of a modest 1.3% on a year on year basis led by an improvement in non-commodity exports. The widening of trade deficit in June was on the back of a smaller decline in goods imports at 7.3% year on year as against a much sharper decline of 13.2% year on year in the prior month. In terms of commodity composition, oil imports increased in June on higher global crude oil prices even as gold imports slowed down.

The Consumer Price Index (CPI) inflation for June 2016 came in at 5.8%, largely in line with the market expectation and similar to the CPI inflation registered in the prior month. June CPI inflation print reflected the sustained inflationary pressures seen in food products. While the headline CPI inflation in June was stable, core inflation eased to 4.5% despite a hike in service tax. Wholesale Price Index (WPI) inflation for June 2016 was at 1.6% as against the 0.8% in the prior month. This is the third positive WPI inflation print after 17 consecutive months of negative WPI inflation. Going forward, many market experts expect the food inflation to trend lower on account of the good progress of the monsoons in terms of spatial and temporal distribution 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 July 2016 saw the benchmark index S&P BSE Sensex gain 3.9% while Nifty 50 gained 4.2%. The Mid-cap index, Nifty Free Float Mid-cap 100 surged 6.9% during the same period.

The FIIs were net buyers with inflows of around USD 1.7 bn in the month of July 2016 and the DIIs were net sellers to the tune of USD 0.9 bn with insurance companies' net sellers to the tune of around USD 0.86 bn even as domestic mutual funds were marginal net sellers to the tune of USD 0.04 bn.

The stellar performance of the Indian equity market in the month of July was on the back of global cues such as better than expected US jobs data, expectation of fiscal stimulus from Japan and a sharp fall in international crude oil prices. On the domestic front, satisfactory progress in the south west monsoon and higher sowing acreages of Kharif (summer crop) increased the possibility of a recovery in rural demand. Market experts project double digit earnings growth for companies comprising Nifty 50 index for the fiscal 2017 and 2018.

The Indian government intends to implement the landmark reform, Goods & Services Tax (GST) from April 1<sup>st</sup>, 2017, a challenging timeline, considering that a significant amount of legislative and administrative process remains to be completed. Early indications suggest sectors such as automobiles, consumer durables as well as media and entertainment would be positively impacted while marginally negative impact is likely in sectors such as telecom, though the actual outcomes would be dependent on the levels and slabs of the GST.

In a positive development, the government announced additional capital of ₹229 bn in FY 2017 for public sector banks out of which 75% was earmarked for immediate release while the remaining 25% was expected to be linked to the performance of individual banks' on parameters pertaining to efficiency, growth and cost reduction. The front-loading of the capital infusion enables the public sector banks to clean up their books at a faster pace.

The RBI has finalized the 'on tap' licensing norms for universal banks. This move from the RBI is expected to expand the market and make the banking sector more competitive benefiting the end consumer while making it more challenging for incumbents as they deal with more competition, newer business models amidst rising costs.

The government has been focused on increasing spending on infrastructure through targeted public spends particularly in road, power and railways. This approach combined with a keen thrust on timely implementation of the big ticket infra projects can unleash a higher economic multiplier, which in turn can accelerate the GDP growth benefiting a slew of sectors.

Going forward, the consumption demand is expected to pick up led by rural demand recovery on the back of robust monsoons as well as the seventh pay commission payouts to central government employees. A host of sectors would also benefit from lower interest rates as liquidity remains benign 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 July 2016 saw the benchmark 10 year Government security (G-sec) close the month at 7.16%, easing by 29 bps over the month even as the 30 year G-sec eased by 34 bps during the same period. On the corporate bond side, the 10 year AAA corporate bond closed the month at around 7.82%, easing by 39 bps over the month.

In the month of July, the Foreign Portfolio Investors (FPIs) were buyers of Indian debt to the extent of USD 1.1 bn.

The broad based fall in the fixed income yields in India in the month of July across the yield curve was on the back of falling global yields post Brexit, falling international crude oil prices and robust south west monsoon. The RBI's commitment to keep money market liquidity at near neutral levels by injecting liquidity through net Open Market Operations (OMO) provided a favorable backdrop for the easing in yields.

The liquidity conditions eased significantly during the months of June and July on the back of increased spending by the government which more than offset the reduction in market liquidity because of higher-than-usual currency demand. The injection of durable liquidity through purchases under open market operations (OMOs), amounting to ₹805 bn thus far, also helped in easing liquidity conditions.

In a key development, the government has set the inflation target at 4% (+/-) 2% until March 31<sup>st</sup>, 2021, in a wide range, in order to allow the monetary policy committee to recognize the trade-off between inflation and growth in the short term while enabling them to pursue the inflation target in the long term. The government's decision to formally adopt the inflation target adds credibility and transparency to policy making and ensures continuity of the policy objectives over the medium term while institutionalizing monetary policy framework.

The third Bi monthly policy review of the RBI left the repo rate unchanged at 6.5% even as it reiterated its commitment to provide liquidity as required and progressively lower the average liquidity deficit in the system to a position closer to neutrality.

The RBI was concerned that the recent sharper-than-anticipated increase in food prices led by pulses had pushed up the projected trajectory of inflation over the rest of the year even as there were early indications of a softening in prices of vegetables. Going forward, the RBI expected that the strong improvement in sowing on the back of the monsoon's steady progress, along with supply management measures, would moderate food inflation. However, the RBI noted the uncertainty around the trajectory of inflation excluding food and fuel on account of the full implementation of the recommendations of the 7<sup>th</sup> central pay commission (CPC) on allowances. On balance, the RBI cautioned that there could be upside risks to its inflation projection of 5% by March 2017.

On the growth front, the RBI expected more momentum due to the normal monsoon enabling stronger agricultural growth and rural demand as well as by the stimulus to consumption spending expected from the disbursement of pay, pension and arrears following the implementation of the 7<sup>th</sup> CPC's award. Moreover, the RBI opined that the current accommodative stance of monetary policy and comfortable liquidity conditions would also provide a congenial environment for the uptick in aggregate demand conditions. However, they expected some headwinds to growth from the continuing sluggishness in world trade points. Accordingly, the RBI retained the GVA growth projection for FY 2017 at 7.6%.

The RBI reiterated its intention to continue its accommodative monetary policy stance even as it planned to provide adequate liquidity. The RBI opined that the easy liquidity conditions were already prompting banks to modestly transmit past policy rate cuts through their MCLR. Moreover, they expect pro-active liquidity management to facilitate more pass-through.

We continue to remain constructive on the fixed income market and believe that the delay in the interest rate hike from the US Federal Reserve will help sustain the easing in Indian fixed income yields. Moreover, the robust south west monsoon 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.

# Fund Assure, Investment Report, July 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, July 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 29 July, 16:** ₹55.5829

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

### Investment Style

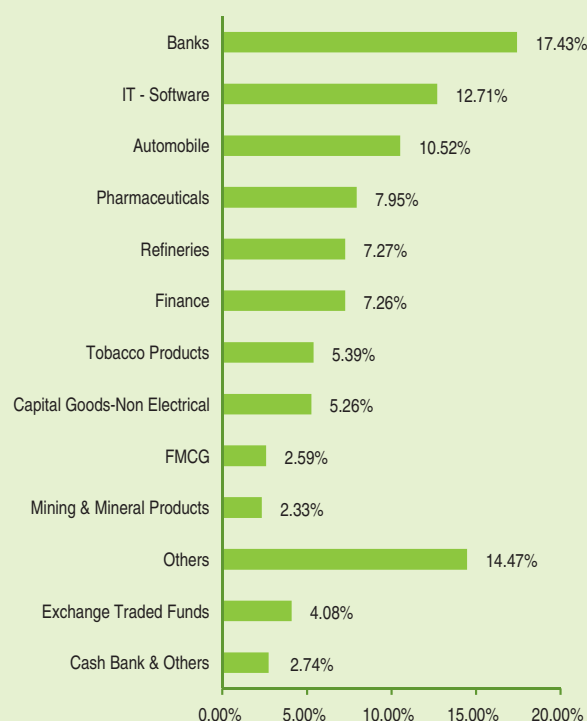
Investment Style			Size
Value	Blend	Growth	Large
			Mid
			Small

## Fund Performance

Period	Date	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 3 Months	29-Apr-16	50.0914	25606.62	10.96%	9.55%
Last 6 Months	29-Jan-16	48.4579	24870.69	14.70%	12.79%
Last 1 Year	31-Jul-15	54.5756	28114.56	1.85%	-0.22%
Last 2 Years	31-Jul-14	48.2502	25894.97	7.33%	4.08%
Last 3 Years	31-Jul-13	36.3504	19345.70	15.21%	13.19%
Last 4 Years	31-Jul-12	32.6387	17236.18	14.24%	12.95%
Last 5 Years	29-Jul-11	34.4359	18197.20	10.05%	9.04%
Since Inception	29-Mar-04	10.0000	5571.37	14.91%	13.99%

**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.

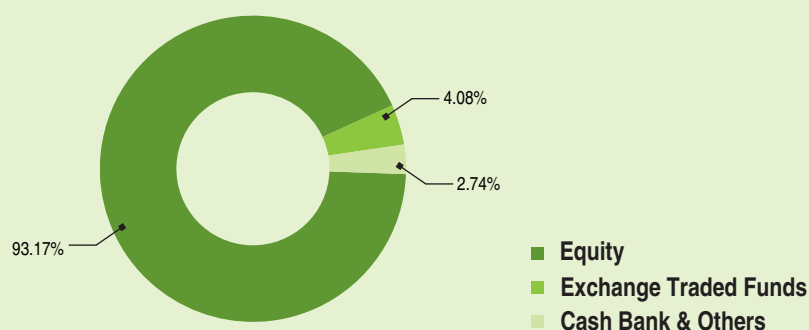
## Sector Allocation



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>93.17</b>
HDFC Bank Ltd.	Banks	7.07
Infosys Technologies Ltd.	IT - Software	6.86
Reliance Industries Ltd.	Refineries	6.15
ICICI Bank Ltd.	Banks	5.41
ITC Ltd.	Tobacco Products	5.39
HDFC Ltd.	Finance	5.07
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	4.42
Tata Motors Ltd.	Automobile	4.14
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.33
Tata Consultancy Services Ltd.	IT - Software	3.16
Coal India Ltd	Mining & Mineral Products	2.33
Mahindra and Mahindra Ltd.	Automobile	2.29
Hindustan Unilever Ltd.	FMCG	2.03
HCL Technologies Ltd.	IT - Software	1.88
Bajaj Auto Ltd.	Automobile	1.83
Other Equity		31.81
<b>Exchange Traded Funds</b>		<b>4.08</b>
Goldman Sachs Banking Index Exchange Traded Scheme		4.08
<b>Cash Bank &amp; Others</b>		<b>2.74</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, July 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 29 July, 16:** ₹20.3518

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

### Investment Style

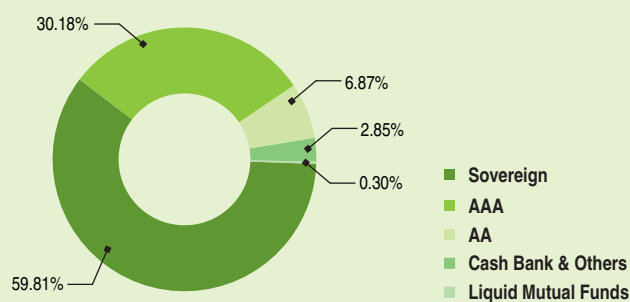
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

Period	Date	NAV	Crisil Short Term Bond Index	NAV Change	INDEX Change
Last 3 Months	29-Apr-16	19.9001	2659.45	2.27%	2.69%
Last 6 Months	29-Jan-16	19.4984	2595.03	4.38%	5.24%
Last 1 Year	31-Jul-15	18.7845	2498.00	8.34%	9.33%
Last 2 Years	31-Jul-14	17.2794	2277.00	8.53%	9.52%
Last 3 Years	31-Jul-13	15.8052	2057.14	8.79%	9.91%
Last 4 Years	31-Jul-12	14.7213	1917.32	8.43%	9.25%
Last 5 Years	29-Jul-11	13.5034	1760.21	8.55%	9.18%
Since Inception	03-Jul-06	10.0000	1242.33	7.30%	8.13%

**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



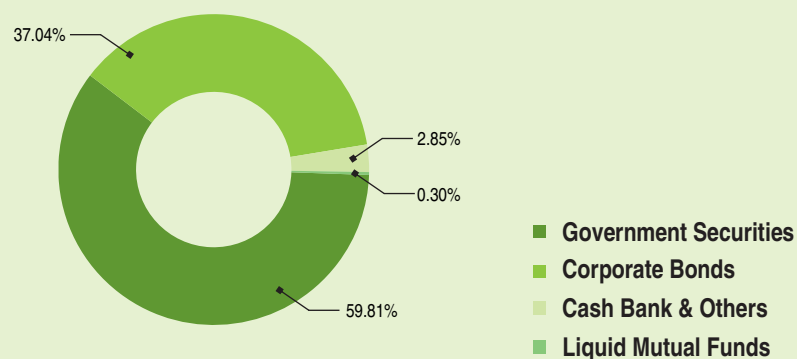
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>59.81</b>
7.83% GOI 11-Apr-18	Sovereign	26.96
7.28% GOI 03-Jun-19	Sovereign	26.96
6.05% GOI 02-Feb-19	Sovereign	5.89
<b>Corporate Bonds</b>		<b>37.04</b>
11.00% IOC Ltd. 10-Sep-18	AAA	8.01
9.43% IRFC Ltd. 23-May-18	AAA	7.77
9.30% Blue Dart Express Ltd. 20-Nov-17	AA	6.87
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	2.26
<b>Cash Bank &amp; Others</b>		<b>2.85</b>
<b>Liquid Mutual Funds</b>		<b>0.30</b>
UTI MMF - Instn Growth Plan		0.30
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# INCOME FUND

ULGF 002 02/03/04 I1 110  
Fund Assure, Investment Report, July 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 29 July, 16:** ₹24.4324

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

### Investment Style

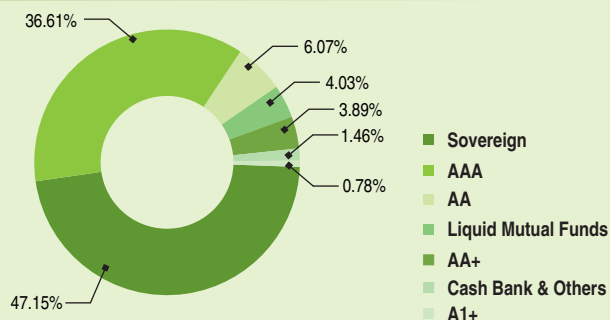
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

Period	Date	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 3 Months	29-Apr-16	23.3562	2564.04	4.61%	3.81%
Last 6 Months	29-Jan-16	22.5160	2489.49	8.51%	6.91%
Last 1 Year	31-Jul-15	21.8744	2389.95	11.69%	11.37%
Last 2 Years	31-Jul-14	19.4612	2140.08	12.05%	11.52%
Last 3 Years	31-Jul-13	17.8583	1947.21	11.01%	10.98%
Last 4 Years	31-Jul-12	16.7088	1849.96	9.97%	9.52%
Last 5 Years	29-Jul-11	15.1974	1699.88	9.96%	9.38%
Since Inception	02-Mar-04	10.0000	1193.20	7.46%	6.67%

**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



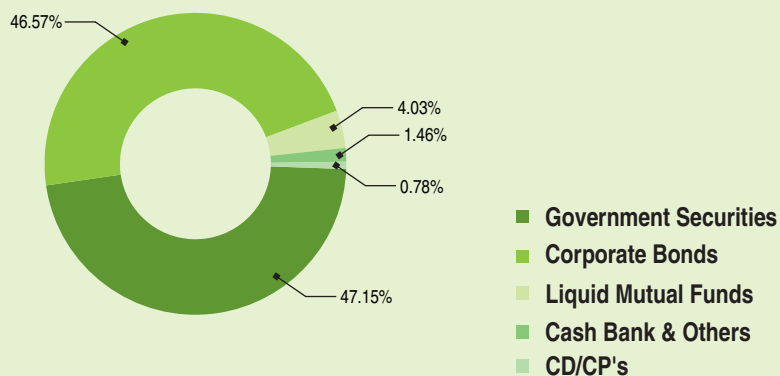
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>47.15</b>
8.83% GOI 25-Nov-23	Sovereign	8.97
8.40% GOI 28-Jul-24	Sovereign	8.56
8.17% GOI 01-Dec-44	Sovereign	5.69
7.72% GOI 26-Oct-55	Sovereign	5.57
8.13% GOI 22-Jun-45	Sovereign	5.01
7.59% GOI 11-Jan-26	Sovereign	4.97
8.15% GOI 24-Nov-26	Sovereign	4.02
6.90% GOI 04-Feb-26	Sovereign	3.54
8.33% GOI 09-Jul-26	Sovereign	0.81
<b>Corporate Bonds</b>		<b>46.57</b>
2.00% Tata Steel Ltd. 23-Apr-22	AA	6.07
9.24% LIC Housing Finance Ltd 30-Sep-24	AAA	4.40
8.20% PFC Ltd. 10-Mar-25	AAA	4.28
8.25% Exim Bank 23-Jun-31	AAA	3.96
8.85% Yes Bank Ltd. 24-Feb-25	AA+	3.89
8.33% NTPC Ltd. 24-Feb-21	AAA	3.84
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.62
8.17% NHPC Ltd 27-Jun-31	AAA	3.14
8.11% Exim Bank 11-Jul-31	AAA	3.12
8.24% NHPC Ltd 27-Jun-31	AAA	2.36
8.70% IDFC Bank Ltd. 20-May-25	AAA	2.23
8.10% NTPC Ltd. 27-May-31	AAA	0.83
8.13% NPCIL 28-Mar-31	AAA	0.76
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	0.09
<b>Liquid Mutual Funds</b>		<b>4.03</b>
UTI MMF - Instn Growth Plan		4.03
<b>Cash Bank &amp; Others</b>		<b>1.46</b>
<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, July 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 29 July, 16:** ₹22.8388

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

### Investment Style

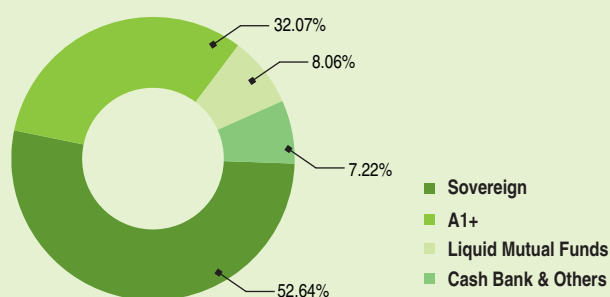
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

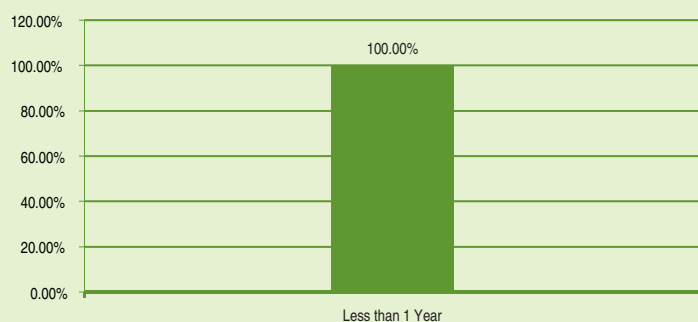
Period	Date	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 3 Months	29-Apr-16	22.4911	2521.30	1.55%	1.92%
Last 6 Months	29-Jan-16	22.1373	2470.82	3.17%	4.00%
Last 1 Year	31-Jul-15	21.3924	2383.60	6.76%	7.81%
Last 2 Years	31-Jul-14	19.8236	2192.36	7.34%	8.26%
Last 3 Years	31-Jul-13	18.3038	1989.71	7.66%	8.90%
Last 4 Years	31-Jul-12	16.8676	1848.12	7.87%	8.59%
Last 5 Years	29-Jul-11	15.4904	1698.62	8.07%	8.63%
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



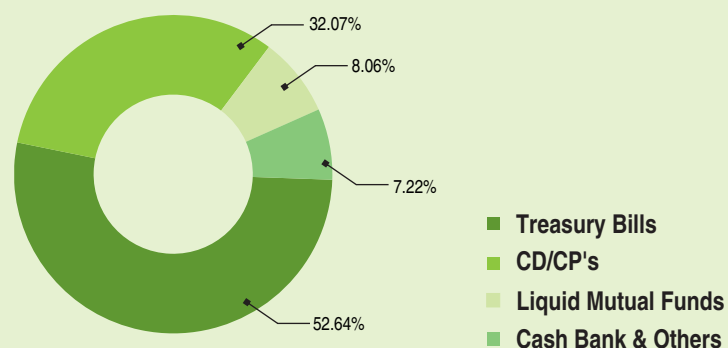
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Treasury Bills</b>		<b>52.64</b>
364 Days Tbill 08-Dec-16	Sovereign	29.45
364 Days Tbill 16-Sep-16	Sovereign	23.20
<b>CD/CP's</b>		<b>32.07</b>
Axis Bank CD 28-Oct-16	A1+	8.95
HDFC BANK CD 29-Dec-16	A1+	8.08
Kotak Mahindra Prime Ltd. CP 21-Jun-17	A1+	7.74
ICICI Bank CD 28-Jun-17	A1+	7.31
<b>Liquid Mutual Funds</b>		<b>8.06</b>
UTI MMF - Instn Growth Plan		4.16
ICICI Prudential Liquid - Regular Plan - Growth		3.90
<b>Cash Bank &amp; Others</b>		<b>7.22</b>
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# BOND FUND

ULGF 005 17/08/07 BO 110  
Fund Assure, Investment Report, July 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 29 July, 16:** ₹20.8928

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

### Investment Style

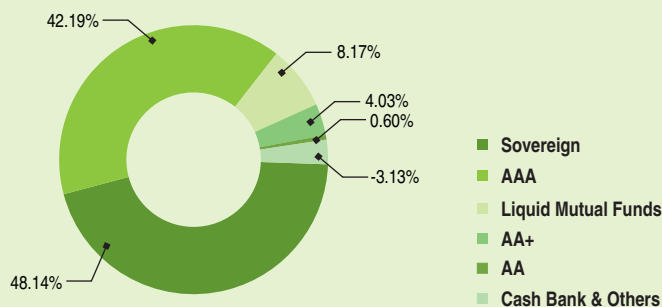
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

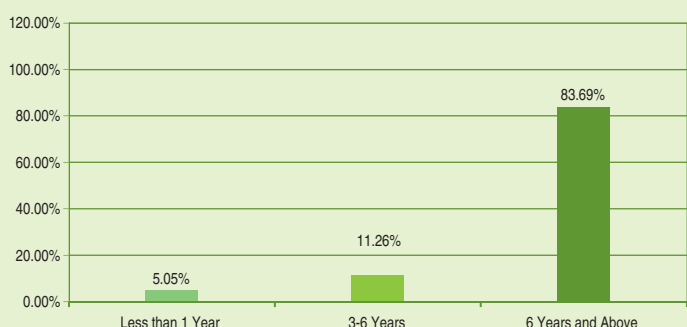
Period	Date	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 3 Months	29-Apr-16	19.9590	2564.04	4.68%	3.81%
Last 6 Months	29-Jan-16	19.2343	2489.49	8.62%	6.91%
Last 1 Year	31-Jul-15	18.6766	2389.95	11.87%	11.37%
Last 2 Years	31-Jul-14	16.6330	2140.08	12.08%	11.52%
Last 3 Years	31-Jul-13	15.2950	1947.21	10.96%	10.98%
Last 4 Years	31-Jul-12	14.2571	1849.96	10.02%	9.52%
Last 5 Years	29-Jul-11	12.9709	1699.88	10.00%	9.38%
Since Inception	17-Aug-07	10.0000	1339.53	8.57%	7.97%

**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



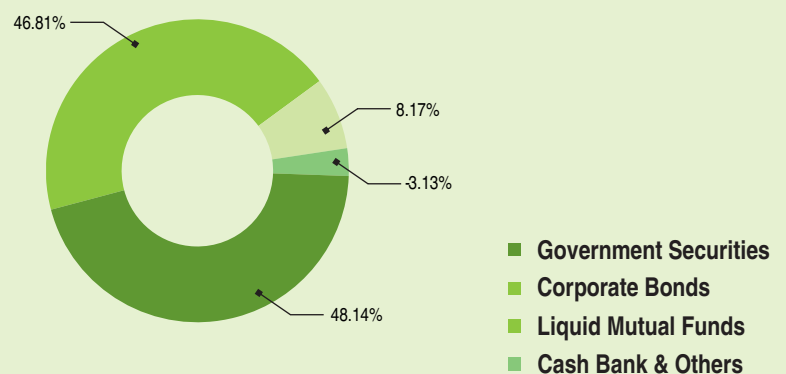
## Maturity Profile



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>48.14</b>
8.83% GOI 25-Nov-23	Sovereign	8.87
8.40% GOI 28-Jul-24	Sovereign	8.50
7.59% GOI 11-Jan-26	Sovereign	7.78
8.17% GOI 01-Dec-44	Sovereign	5.55
7.72% GOI 26-Oct-55	Sovereign	5.47
8.15% GOI 24-Nov-26	Sovereign	3.96
8.13% GOI 22-Jun-45	Sovereign	3.91
6.90% GOI 04-Feb-26	Sovereign	3.31
8.33% GOI 09-Jul-26	Sovereign	0.79
<b>Corporate Bonds</b>		<b>46.81</b>
8.57% LIC Housing Finance Ltd. 18-Jul-25 (Put 20-09-2018 Call-N.A.)	AAA	6.25
8.17% NHPC Ltd 27-Jun-31	AAA	4.64
9.48% REC Ltd. 10-Aug-21	AAA	4.34
8.20% PFC Ltd. 10-Mar-25	AAA	4.28
8.85% Yes Bank Ltd. 24-Feb-25	AA+	4.03
8.25% Exim Bank 23-Jun-31	AAA	3.84
8.33% NTPC Ltd. 24-Feb-21	AAA	3.81
8.11% Exim Bank 11-Jul-31	AAA	3.14
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.51
8.24% NHPC Ltd 27-Jun-31	AAA	2.34
8.70% IDFC Bank Ltd. 20-May-25	AAA	2.04
8.13% NPCIL 28-Mar-31	AAA	0.84
8.13% NPCIL 28-Mar-30	AAA	0.84
8.13% NPCIL 28-Mar-29	AAA	0.84
8.13% NPCIL 28-Mar-28	AAA	0.83
8.13% NPCIL 26-Mar-27	AAA	0.83
8.19% NTPC Ltd. 15-Dec-25	AAA	0.82
2.00% Tata Steel Ltd. 23-Apr-22	AA	0.60
<b>Liquid Mutual Funds</b>		<b>8.17</b>
UTI MMF - Instn Growth Plan		4.21
ICICI Prudential Liquid - Regular Plan - Growth		3.97
<b>Cash Bank &amp; Others</b>		<b>-3.13</b>
<b>Total</b>		<b>100.00</b>

## Asset Allocation



# BALANCED FUND

ULGF 006 17/08/07 BL 110  
Fund Assure, Investment Report, July 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 29 July, 16:** ₹19.8145

**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

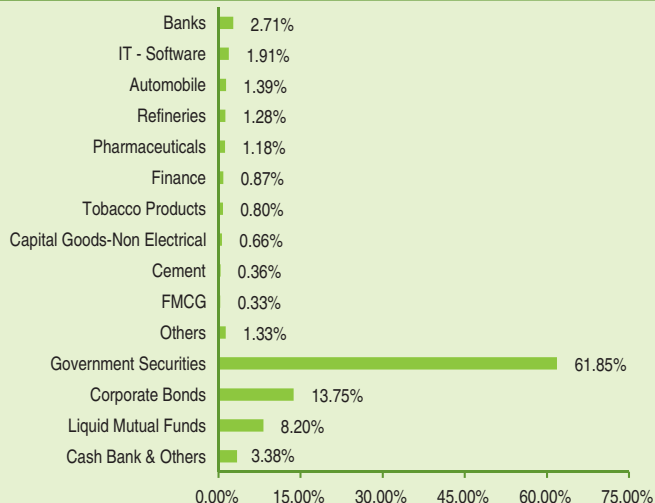
Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

## Fund Performance

Period	Date	NAV	NAV Change	INDEX Change
Last 3 Months	29-Apr-16	18.8867	4.91%	4.43%
Last 6 Months	29-Jan-16	18.2938	8.31%	7.64%
Last 1 Year	31-Jul-15	18.0729	9.64%	10.35%
Last 2 Years	31-Jul-14	16.3699	10.02%	10.95%
Last 3 Years	31-Jul-13	14.4031	11.22%	11.34%
Last 4 Years	31-Jul-12	13.4490	10.17%	9.91%
Last 5 Years	29-Jul-11	12.6616	9.37%	9.40%
Since Inception	17-Aug-07	10.0000	7.93%	8.04%

**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.

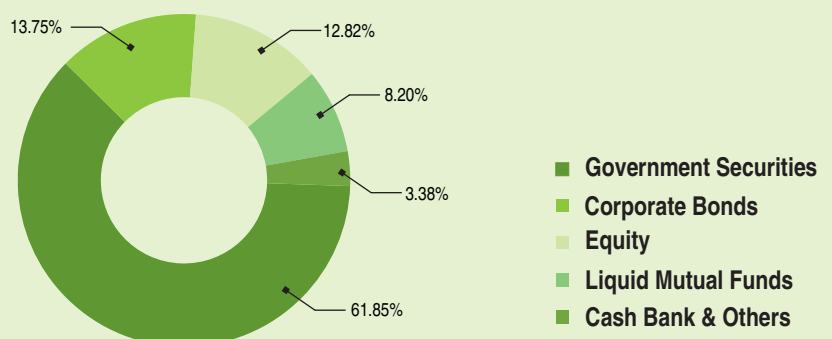
## Sector Allocation



## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>61.85</b>
8.17% GOI 01-Dec-44	Sovereign	13.27
7.59% GOI 11-Jan-26	Sovereign	11.32
8.40% GOI 28-Jul-24	Sovereign	10.03
7.72% GOI 25-May-25	Sovereign	9.78
8.24% GOI 10-Nov-33	Sovereign	6.87
7.28% GOI 03-Jun-19	Sovereign	6.32
8.83% GOI 25-Nov-23	Sovereign	4.25
<b>Corporate Bonds</b>		<b>13.75</b>
8.98% PFC Ltd. 08-Oct-24 (Put-08-10-2016 Call-N.A)	AAA	5.44
9.97% IL&FS 28-Sep-16	AAA	4.25
8.49% NTPC Ltd. 25-Mar-25	AAA	3.12
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	0.94
<b>Equity</b>		<b>12.82</b>
Infosys Technologies Ltd.	IT - Software	1.14
HDFC Bank Ltd.	Banks	1.06
HDFC Ltd.	Finance	0.87
Reliance Industries Ltd.	Refineries	0.86
ITC Ltd.	Tobacco Products	0.80
ICICI Bank Ltd.	Banks	0.79
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	0.66
Tata Motors Ltd.	Automobile	0.64
Tata Consultancy Services Ltd.	IT - Software	0.56
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.47
Bharat Petroleum Corporation Ltd.	Refineries	0.42
Hindustan Unilever Ltd.	FMCG	0.33
Dr. Reddys Laboratories Ltd.	Pharmaceuticals	0.31
Ultratech Cement Ltd.	Cement	0.26
IndusInd Bank Ltd.	Banks	0.25
Other Equity		3.40
<b>Liquid Mutual Funds</b>		<b>8.20</b>
UTI MMF - Instn Growth Plan		4.23
ICICI Prudential Liquid - Regular Plan - Growth		3.97
<b>Cash Bank &amp; Others</b>		<b>3.38</b>
<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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