Axis Multi Factor Passive FoF

(Erstwhile Axis Equity ETFs FoF)

(An open-ended fund of funds scheme investing in units of domestic Equity ETFs falling under the factor theme.)

June-2025

AXIS ASSET MANAGEMENT

Axis Multi Factor Passive FoF

(Erstwhile Axis Equity ETFs FoF)

About the fund

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Axis Multi Factor Passive FoF (Erstwhile Axis Equity ETFs FoF)

Scheme Details

Type of Scheme

An open-ended fund of funds scheme investing in units of domestic Equity ETFs falling under the factor theme.

Minimum Investment

₹100 and ₹1 thereafter

Entry Load

NA

Exit Load

If redeemed / switched-out within 15 days from the date of allotment: 1%

- If redeemed / switched-out after 15 days from the date of allotment: NIL

AUM (In Cr) (As on 30th June 2025)

₹ 33.74

Inception Date

24-Feb-2022

Investment Objective

To provide long-term capital appreciation from a portfolio investing predominantly in units of domestic Equity ETFs falling under the factor theme. There is no assurance that the investment objective of the Scheme will be achieved.

Fund Manager

- Mr. Karthik Kumar

Total Expense Ratio *(As on 30th June 2025)

Direct – 0.14%

Benchmark

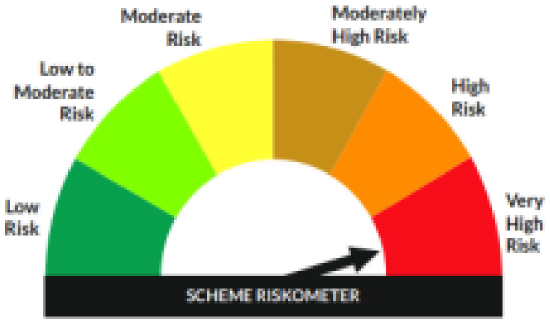
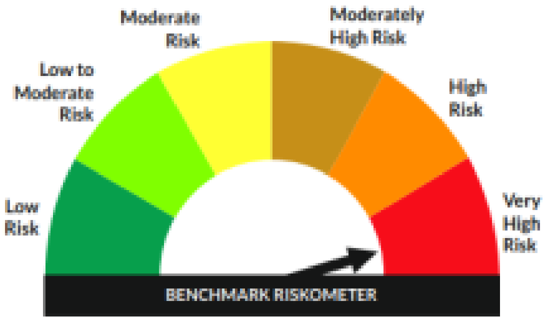
NIFTY 500 TRI

For complete details, read Scheme Information Document (SID). https://www.axismf.com/cms/sites/default/files/Statutory/Q1.pdf Note: Investors will be bearing the recurring expenses of the scheme, in addition to the expenses of the schemes, in which Fund of Funds schemes make investments. * TER of Underlying funds :
ICICI Prudential Nifty 100 Low Volatility 30 ETF: 0.41 % SBI Nifty 200 Quality 30 ETF : 0.30% ;
ICICI Prudential Nifty 200 Momentum 30 ETF: 0.30% ; Axis Nifty500 Value 50 ETF: 0.25%

Axis Multi Factor Passive FoF

An open-ended fund of funds scheme investing in units of domestic Equity ETFs falling under the factor theme.)

Benchmark: NIFTY 500 TRI

This product is suitable for investors who are seeking*:	Product Risk-o-meter	Benchmark Risk-o-meter
• Capital appreciation over long term. • Investment predominantly in units of domestic Equity ETFs based on factor theme.	 The risk of the scheme is very high	 The risk of the benchmark is very high NIFTY 500 TRI

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

Scheme Performance

AXIS MUTUAL FUND | 15 YEARS AS YOUR INVESTMENT PARTNER

Axis Multi Factor Passive FoF

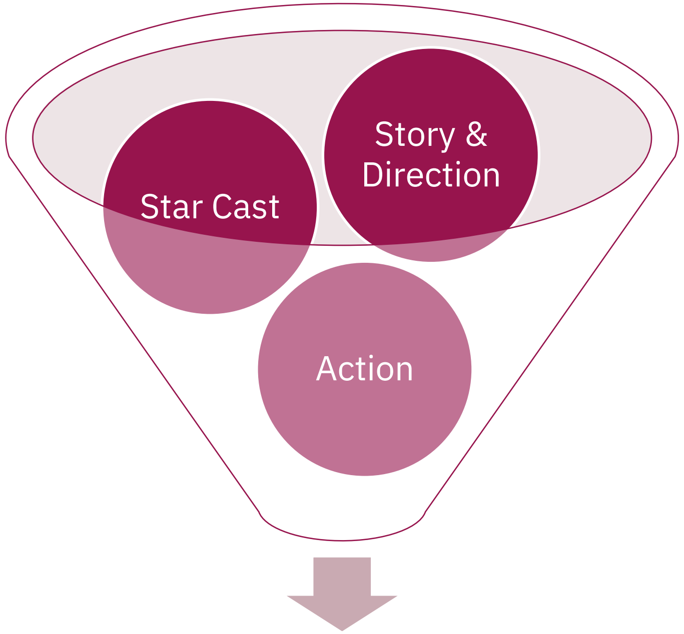
Fund Name	Date of inception	1 Year		3 Years		5 Years		Since Inception	
		CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-	CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-	CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-	CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-
Axis Multi Factor Passive FOF - Regular Plan - Growth	24-Feb-22	-2.74%	9,725	18.12%	16,487	NA	NA	13.51%	15,284
Nifty 500 TRI (Benchmark)		5.64%	10,568	21.97%	18,155	NA	NA	18.66%	17,733
Nifty 50 TRI (Additional Benchmark)		7.49%	10,754	18.72%	16,741	NA	NA	15.83%	16,355
Axis Multi Factor Passive FOF - Direct Plan - Growth	24-Feb-22	-2.25%	9,774	18.43%	16,617	NA	NA	13.79%	15,413
Nifty 500 TRI (Benchmark)		5.64%	10,568	21.97%	18,155	NA	NA	18.66%	17,733
Nifty 50 TRI (Additional Benchmark)		7.49%	10,754	18.72%	16,741	NA	NA	15.83%	16,355

Past performance may or may not be sustained in future. Different plans have different expense structure. Karthik Kumar is managing the scheme since 3rd August 2023 and he manages 23 schemes of Axis Mutual Fund . Please refer to https://www.axismf.com/cms/sites/default/files/Statutory/ALL_Annexure_Jun.pdf performance of all schemes managed by the fund manager. Returns greater than 1 year period are compounded annualised (CAGR). Face Value per unit : ₹10.

Source: Axis MF Factsheet, Data as of 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

What is Factor Investing ?

Factors behind a Blockbuster Movie



Blockbuster Movie

The success of a blockbuster movie can be broken down in terms of a combination of "Factors" such as –

- **Star cast**
- **Engaging storyline**
- **High-paced action sequences**
- **Great visual effects**

Factors behind a Robust Portfolio

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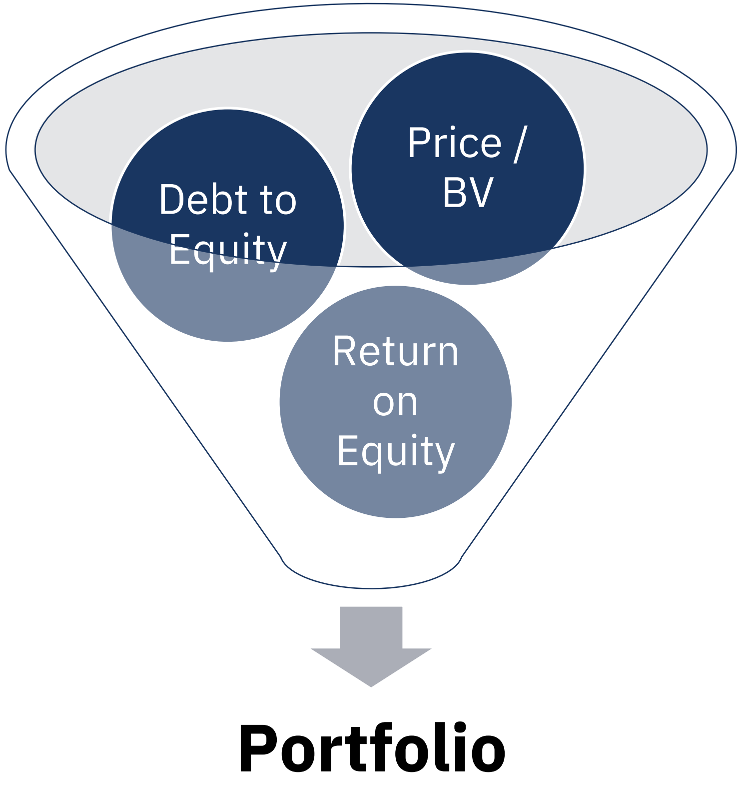

Similarly, the returns of a portfolio can be explained in terms of a combination of "Factors" –

- **Price to Earnings**
- **Price to Book**
- **Debt to Equity / Leverage Ratio**
- **Return on Equity**

Factor Investing – Combination of both worlds

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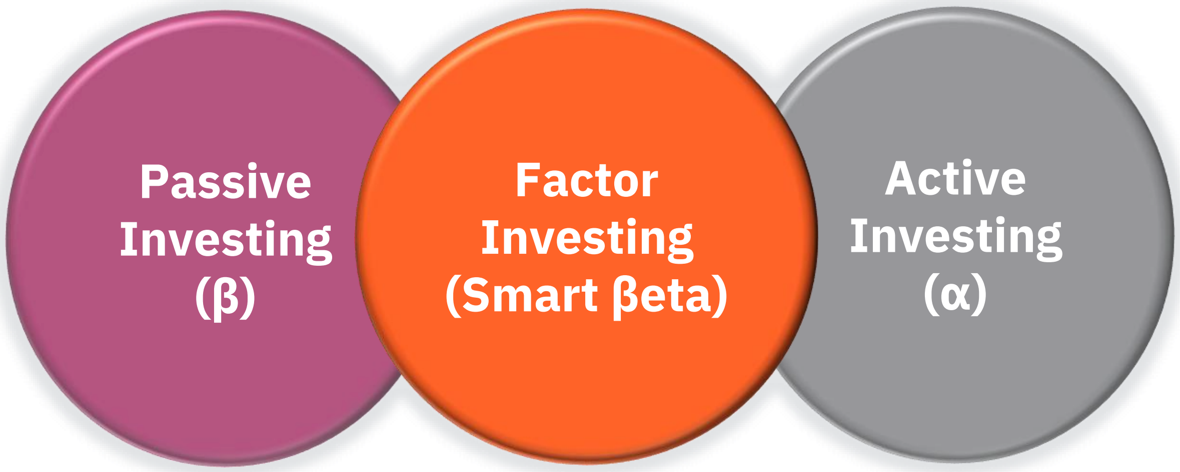
Factor investing sits between Active and Passive investing and looks to combine the best of both worlds



Passive Investing	Factor Investing	Active Investing
Market Return	Combination of both worlds **(beta and alpha)** **(aka - Smart Beta / Factors)**	**Potential to outperform market**
Low cost		**Stock Selection based on stock attributes**
Rule based framework		Fund Manager risk
Transparent		Identify factors to generate alpha

What are Factors?

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A factor is any characteristic that helps explain the long-term risk and return of an asset/stock.

Among many, commonly **popular factors are Momentum, Low Volatility, Quality and Value**.

Like in cricket attacking, classic and defensive batsmen play an important role to build solid batting lineup; adding factor(s) to your portfolio, can make difference to your portfolio performance.

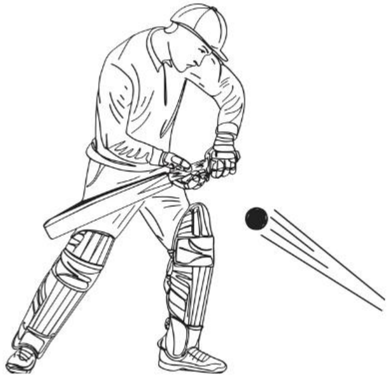
Attack

Momentum investing capitalizes aggressively during the bull markets, similar to an **attacking batsman.**

Class

Value investing relates to classic approach and performs during recovery phase similar to a **batsman's class** to build solid innings.

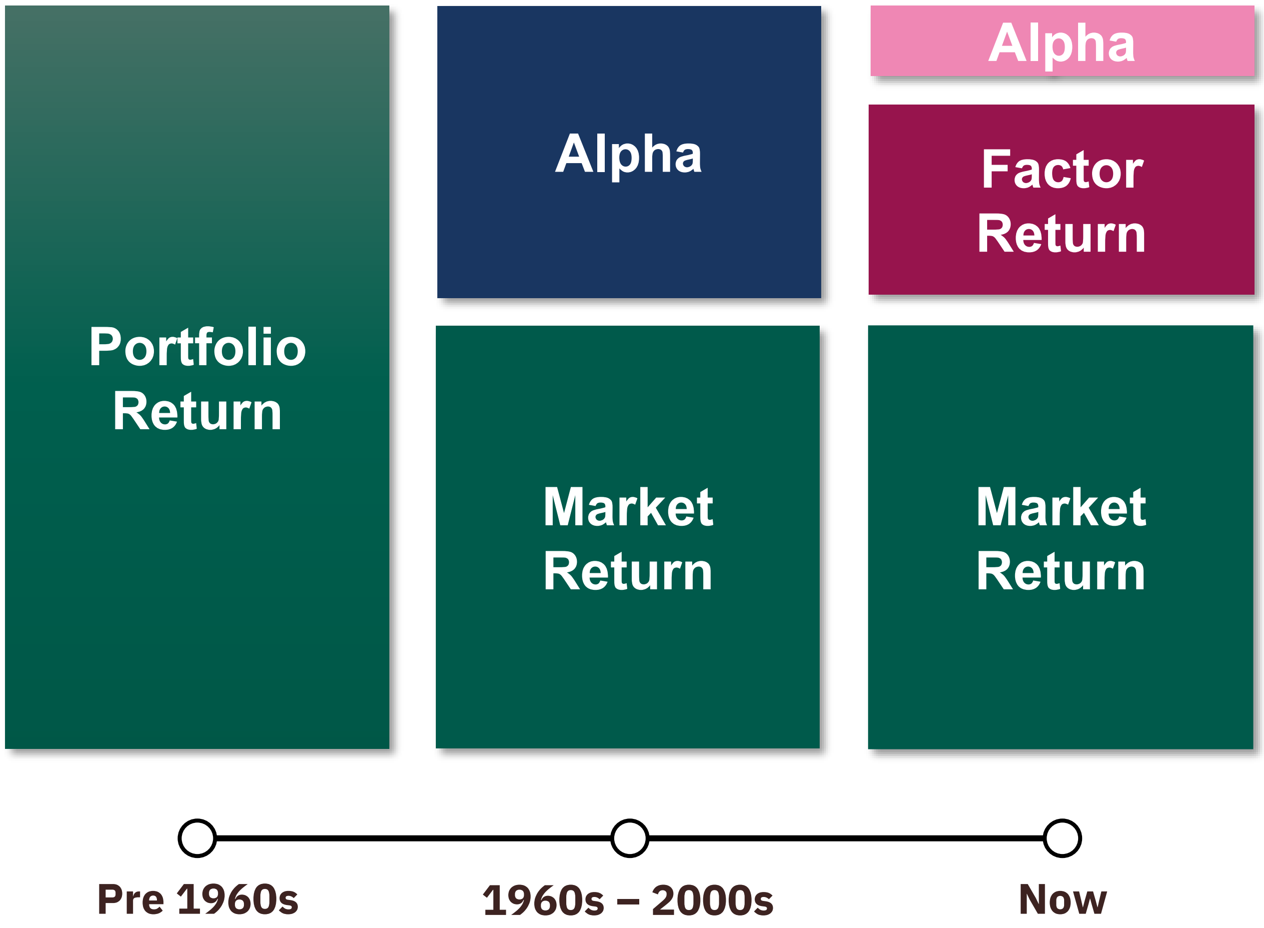
Defence



Low volatility & Quality investing aims for stable returns while reducing risk like a **defensive batsman** protecting their wicket.

Why Factors Matter?

Evolution of performance evaluation globally



Are you a Factor investor?

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Do you look for one or more of the following when selecting which stocks to invest in?

Introduction to each factor

The Momentum Factor

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The Momentum factor exploits the tendency of winning stocks that are expected to continue doing well in the near term

Selects stock with strong recent performance

Historically worked well in sustained Bull markets

Works across market cap, sector & period

Most Dynamic as quickly catches on to sectoral trends

Measured using: 6M Return, 12M Return adjusted for volatility

6M = 6 months, 12M = 12 months

Refer Annexure : For entire list of factors across market caps.

The Low Volatility Factor

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The Low Volatility Factor involves buying stocks which have higher stability in price movements

Selects stock with lower volatility in price movements

Exhibited downside protection during market crashes

Good starting point for investors worried about market volatility

Historically outperformed over the long-term

Measured using: Standard Deviation for last 12 months

Refer Annexure : For entire list of factors across market caps.

The Quality Factor

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The Quality Factor captures companies with durable business models and sustainable competitive advantages

Selects stocks that have high RoE, high cashflows, low debt	**Exhibited downside protection during market crashes**
These businesses have strong & lasting competitive advantages	**Historically outperformed over the long-term**

Measured using: RoE, D/E, Cash Earnings

RoE = Return on Equity, D/E = Debt to Equity or Leverage Ratio

Refer Annexure : For entire list of factors across market caps.

The Value Factor

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The Value Factor captures stocks that are relatively ‘inexpensive’ compared to their fundamental attributes

Selects “cheaper” stocks that have low P/E, P/B, and P/S	Historically worked well during market recovery
Offers diversification benefit vs other Factors	Staging a turnaround after underperformance in 2010s

Measured using: P/E, P/B, P/S, Dividend Yield

P/E = Price to Earnings, P/B = Price to Book Value, P/S = Price to Sales

Refer Annexure : For entire list of factors across market caps.

Historical Performance – Factor Indices

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	Data Label	Nifty 500 TR Index	Momentum	Low Volatility	Quality	Value
Performance (CAGR)	1 Year	5.7%	-8.8%	6.8%	3.2%	-1.1%
	3 Year	22.0%	26.1%	20.3%	19.0%	39.3%
	5 Year	24.0%	25.2%	21.2%	19.8%	40.5%
	10 Year	14.4%	18.5%	14.4%	13.5%	17.9%
	15 Year	13.1%	19.3%	14.7%	15.1%	14.1%
Volatility	15 Year	16.3%	18.5%	13.7%	14.1%	23.8%

Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty500 Value 50 TR

Source: NSE and BSE Indices, Data : 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure : For entire list of factors across market caps.

Winners keep changing, but Factors outperform over long-term

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2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD-2025	15 Year CAGR
Mom 44.2%	Value 109.0%	LowVol -42.3%	Value 133.0%	Value 30.9%	Quality -10.1%	Mom 38.8%	Quality 19.6%	Value 78.9%	Mom 10.8%	Value 25.1%	Mom 57.5%	Quality 8.9%	Mom 10.6%	Quality 26.3%	Value 56.4%	Value 23.2%	Value 62.6%	Mom 21.3%	Value 7.3%	14.1%
LowVol 43.3%	Mom 100.8%	Quality -50.0%	Quality 131.0%	Quality 28.4%	LowVol -12.0%	Nifty500 33.5%	Mom 12.9%	Mom 49.6%	LowVol 9.8%	Mom 9.6%	Value 47.0%	LowVol 7.4%	Nifty500 9.0%	LowVol 24.3%	Mom 53.8%	Nifty500 4.2%	Mom 41.7%	Value 20.2%	Nifty500 6.1%	13.1%
Nifty500 36.2%	Nifty500 64.6%	Nifty500 -56.5%	LowVol 92.9%	LowVol 25.5%	Mom -16.1%	Value 32.1%	LowVol 6.6%	Quality 40.5%	Quality 2.4%	Nifty500 5.1%	Nifty500 37.7%	Mom -1.7%	Quality 5.6%	Mom 20.0%	Nifty500 31.6%	LowVol 2.0%	LowVol 31.9%	Nifty500 16.2%	LowVol 5.7%	14.7%
Quality 31.9%	Quality 50.5%	Value -56.7%	Nifty500 91.0%	Mom 19.8%	Nifty500 -26.4%	LowVol 32.1%	Nifty500 4.8%	Nifty500 39.3%	Nifty500 0.2%	LowVol 3.1%	LowVol 30.3%	Nifty500 -2.1%	LowVol 5.2%	Nifty500 17.9%	Quality 26.2%	Quality -4.4%	Quality 31.7%	Quality 14.2%	Quality 2.2%	15.1%
Value 14.1%	LowVol 31.5%	Mom -60.0%	Mom 69.3%	Nifty500 15.3%	Value -37.7%	Quality 31.4%	Value -14.0%	LowVol 36.8%	Value -7.2%	Quality 1.0%	Quality 30.3%	Value -26.2%	Value -13.7%	Value 8.5%	LowVol 24.2%	Mom -5.4%	Nifty500 26.9%	LowVol 12.4%	Mom -2.5%	19.3%

- **No single Factor has outperformed others consistently**
- **However, they do outperform market over the long-term**
- **Adding Factors to your portfolio can help improve risk-adjusted returns**

Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty500 Value 50 TR

Source: NSE and BSE Indices, Date : 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure For entire list of factors across market caps.

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7 Reasons: Consider Factors in your portfolio?

Factor portfolio is strictly rule based!

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Defining descriptors for each Factor

For e.g., 6M / 12M Price return for Momentum

Establishing rules to select a portfolio of companies using these descriptors

Applying these rules to create portfolios periodically – for e.g., semi-annually

What factor investing isn't – Ambiguous !

Factors have outperformed markets, historically

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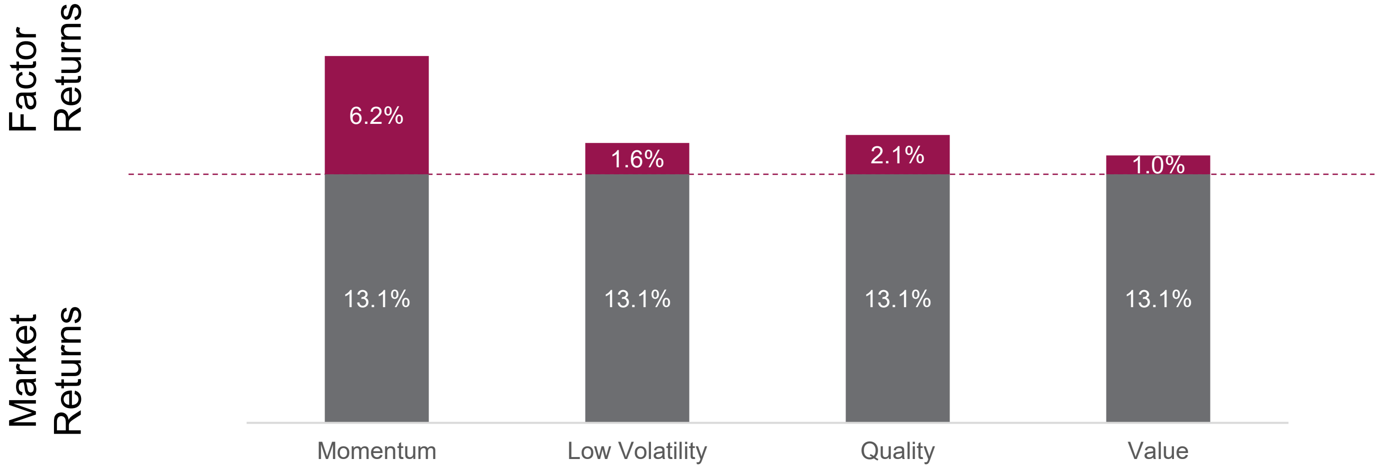
	Nifty 500 TR Index	Momentum	Low Volatility	Quality	Value
15 Year	13.1%	19.3%	14.7%	15.1%	14.1%



Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty500 Value 50 TR

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Factors exhibit relatively less correlation with markets

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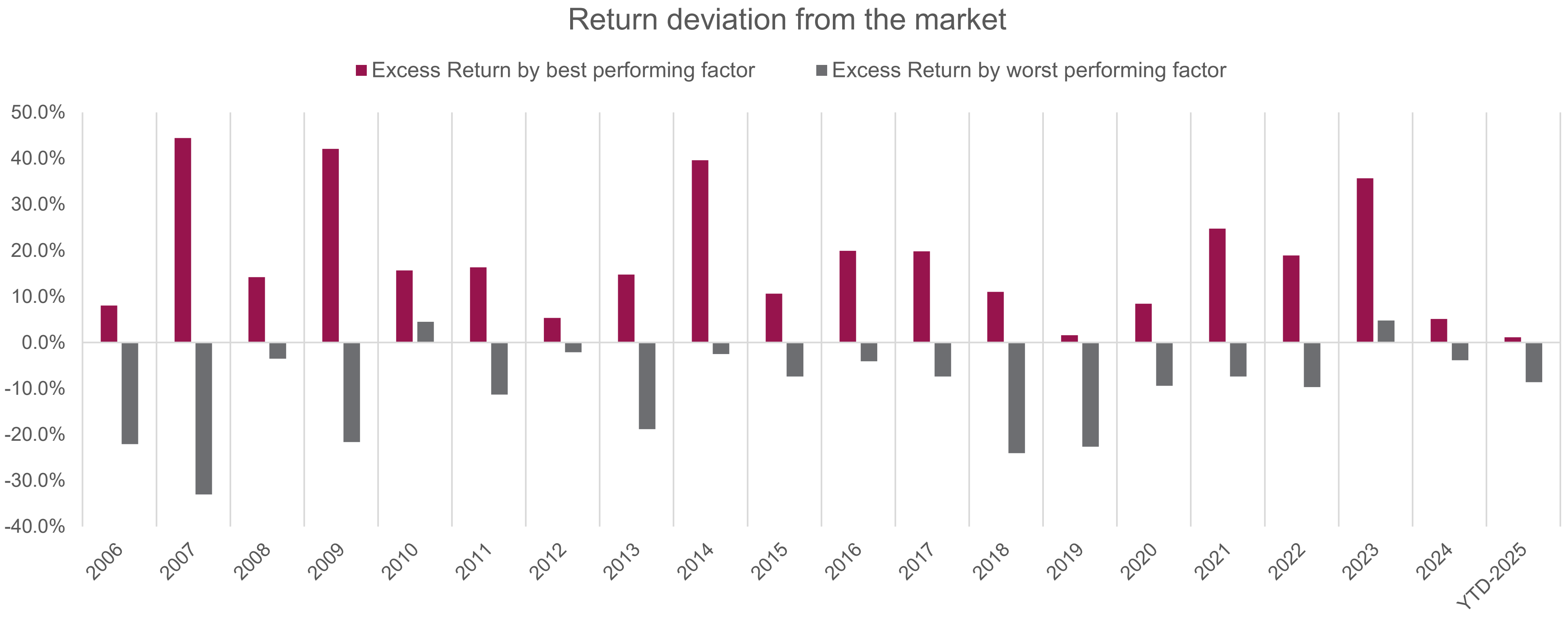
Factors tend to generate returns that are away from the market, exhibiting relatively lower correlation with the market.



Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure : For entire list of factors across market caps.

Factors have low correlation with each other

Excess returns of Factors show very low correlation as different Factors respond differently across market and economic cycles

15 Year Correlation of Daily Excess returns

Excess Correlation Matrix	Momentum	Low Volatility	Quality	Value
Momentum	100%	6%	18%	12%
Low Volatility		100%	74%	-30%
Quality			100%	-29%
Value				100%

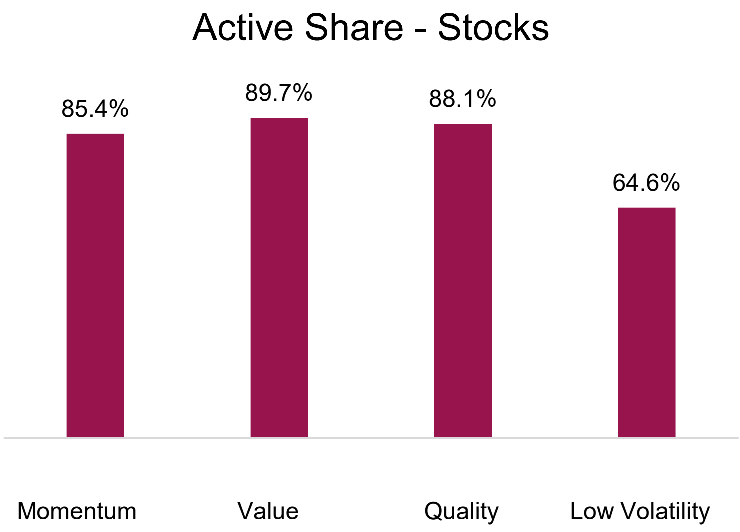
Building a robust portfolio by blending factors can be possible due to less correlation among factors

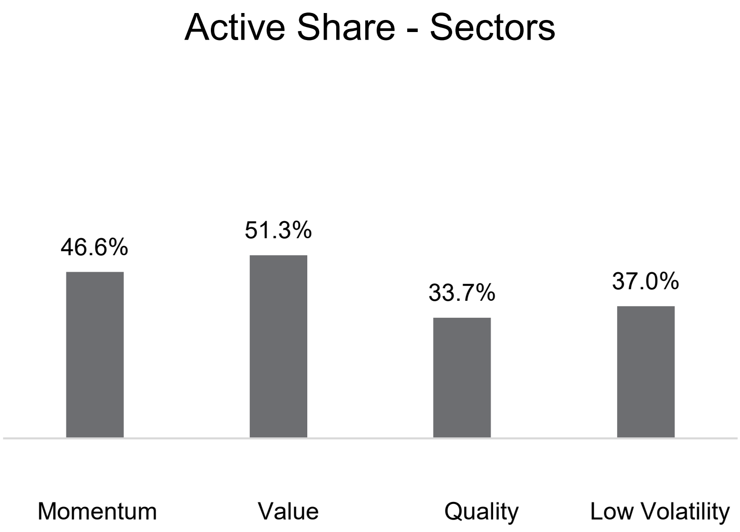
Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value= Nifty500 Value 50 TR

Source: NSE and BSE Indices, Data from 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure : For entire list of factors across market caps.

Factors portfolios exhibited **high active share**

Factor benchmarks have very high active share in terms of stocks and sectors relative to broad based benchmark , which signifies they are different and not benchmark hugging strategies.





Factors Indices > Momentum = Nifty200 Momentum 30 Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty500 Value 50 TR

Source: NSE and BSE Indices, MOAMC, Data from 16-Sep-2005 to 30-Jun-2024; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure : For entire list of factors across market caps.

Factors tend to repeat their performance according to market cycles

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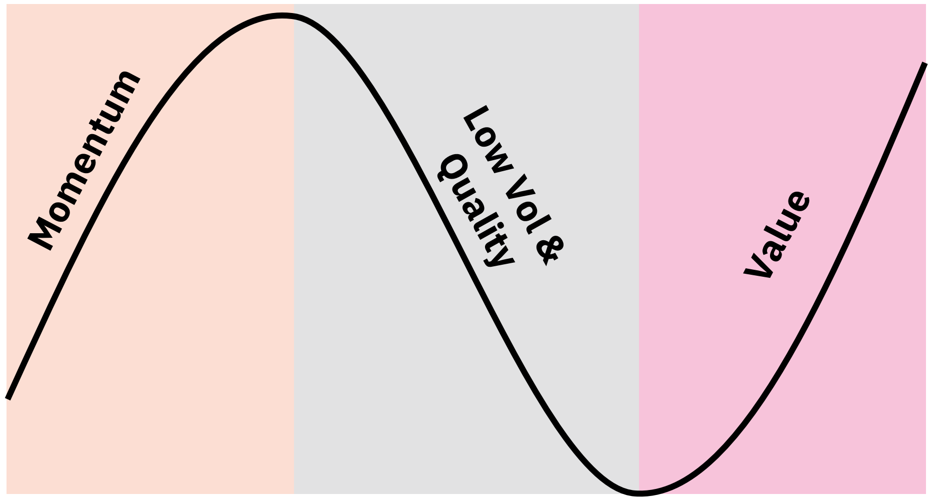
Such a strategy would involve churning factors based on what cycle you expect the market to be in

Academic Research



Historical Performance of Factors In India

	Momentum	Low Volatility	Quality	Value	Nifty 500
Bull	32.5%	22.4%	22.8%	27.8%	24.7%
Bear	-35.4%	-26.1%	-28.2%	-47.0%	-40.5%
Recovery	40.8%	39.8%	44.4%	55.1%	41.7%

- **Momentum tends to significantly outperform in Bull market cycles**
- **Quality and Low Vol offer good downside protection and tend to outperform in Bear markets**
- **Value tends to outperform when the market is recovering from a bear phase**

Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty500 Value 50 TR

Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure : For entire list of factors across market caps.

Factors **works everywhere**

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A

cross different markets (e.g. USA, India)

cross different asset classes (e.g. Equity, Bonds)

cross different time periods(e.g. 6m, 12m)

Source/Disclaimer: https://pages.stern.nyu.edu/~lpederse/papers/ValMomEverywhere.pdf

Using factors in your portfolio

How to select the right factor(s) in your portfolio?

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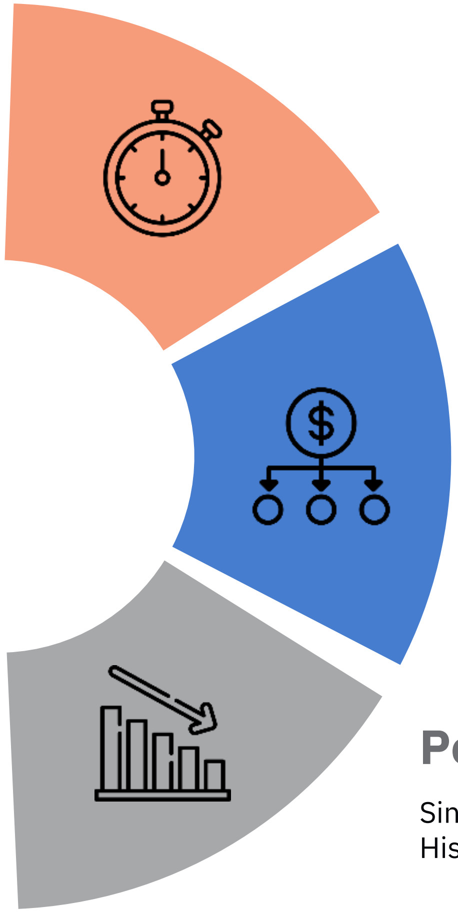
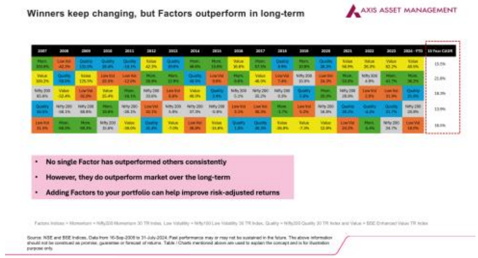


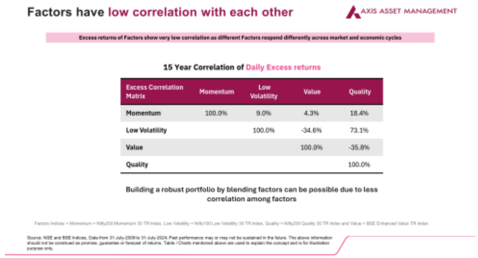
Factor timing can be difficult

Factor timing, just like market timing, can be incredibly difficult without the benefit of hindsight



Diversification benefit

Excess returns of Factors show very low correlation as different Factors respond differently across market and economic cycles


Factors have low correlation with each other

Excess returns of Factors show very low correlation as different Factors respond differently across market and economic cycles

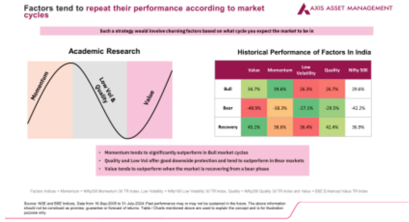
15 Year Correlation of Daily Excess returns

Excess Correlation Matrix	Momentum	Low Volatility	Value	Quality
Momentum	100.0%	9.0%	4.3%	18.4%
Low Volatility		100.0%	-34.6%	73.1%
Value			100.0%	-35.8%
Quality				100.0%

Building a robust portfolio by blending factors can be possible due to less correlation among factors

Periods of underperformance

Single Factors work over the long-term because they don't work all the time. Historically, there have been considerable periods of underperformance



A Multi-Factor approach to Factor investing helps reduce Factor-specific risk without compromising on long-term performance

Multi-Factor approach offers consistency

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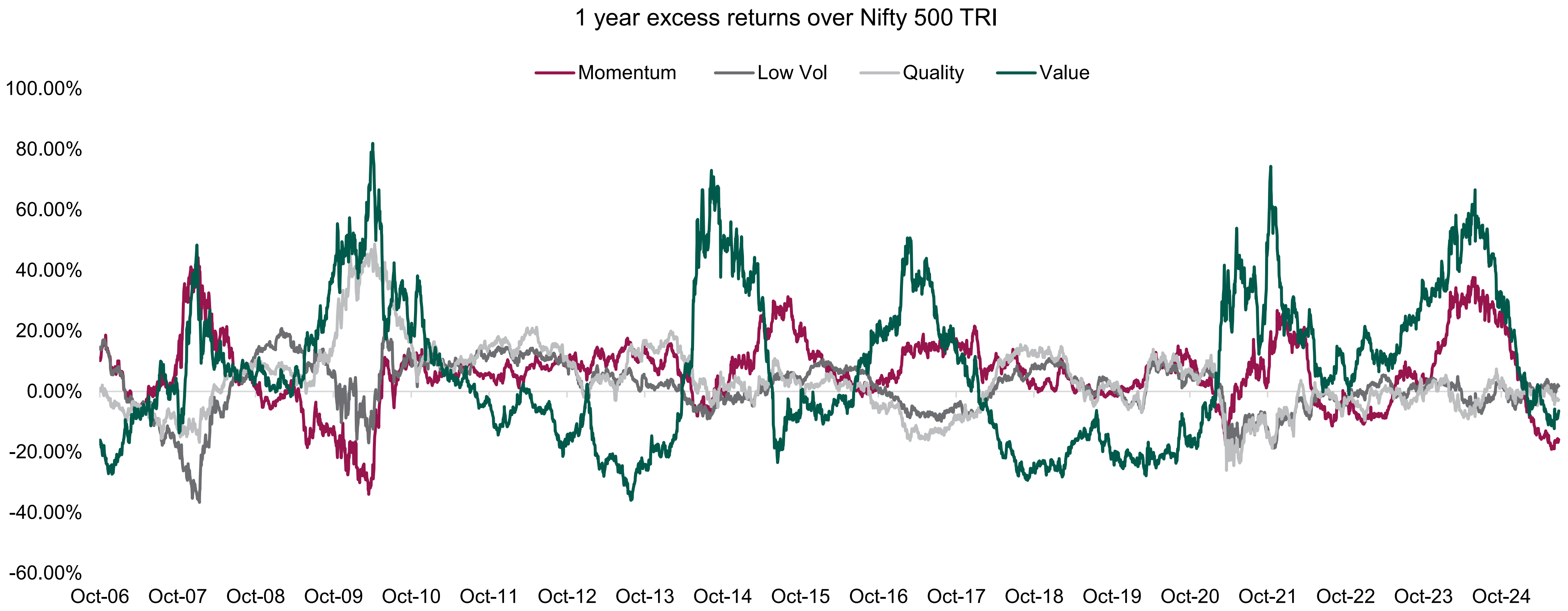
A simple Multi-Factor Equal Weight strategy which allocates 25% each to the four Factors shows why it is important to have a Factor diversified portfolio.



Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty 500 Value 50 TR Index

Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

Multi-Factor Study- Approach

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Kindly look for the parameters used for the research study –

1. **Underlying funds**
   - Momentum
   - Low Volatility
   - Quality
   - Value

2. **Allocation**
   - Equal Weight (i.e. 25% each)

3. **Rebalancing**
   - Quarterly

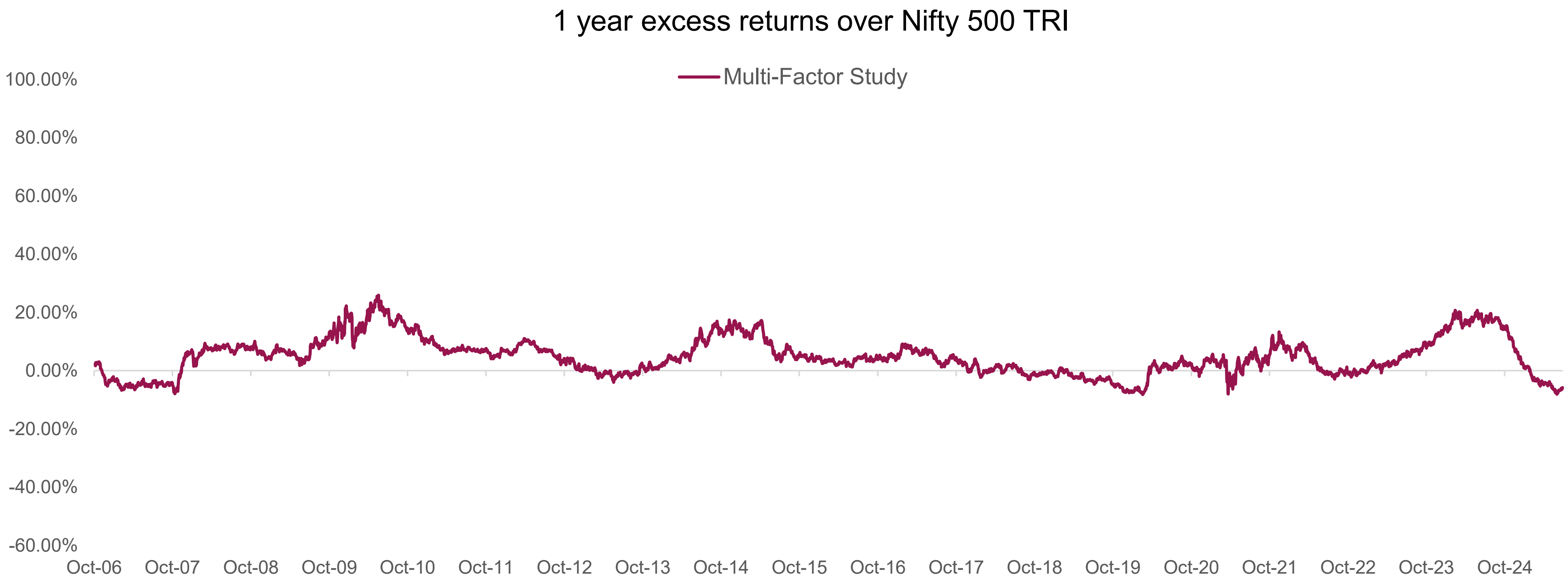
Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty 500 Value 50 TR Index

The Multi-Factor research Study performed by Axis Mutual Fund to help understand benefits of factor blending. Based on internal research. Refer slide 38 for fund related investment strategy.

Multi-Factor approach offers consistency

AXIS ASSET MANAGEMENT

A simple Multi-Factor Equal Weight strategy which allocates 25% each to the four Factors shows why it is important to have a Factor diversified portfolio.



Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

Multi-Factor Equal Weight outperforms over the long term

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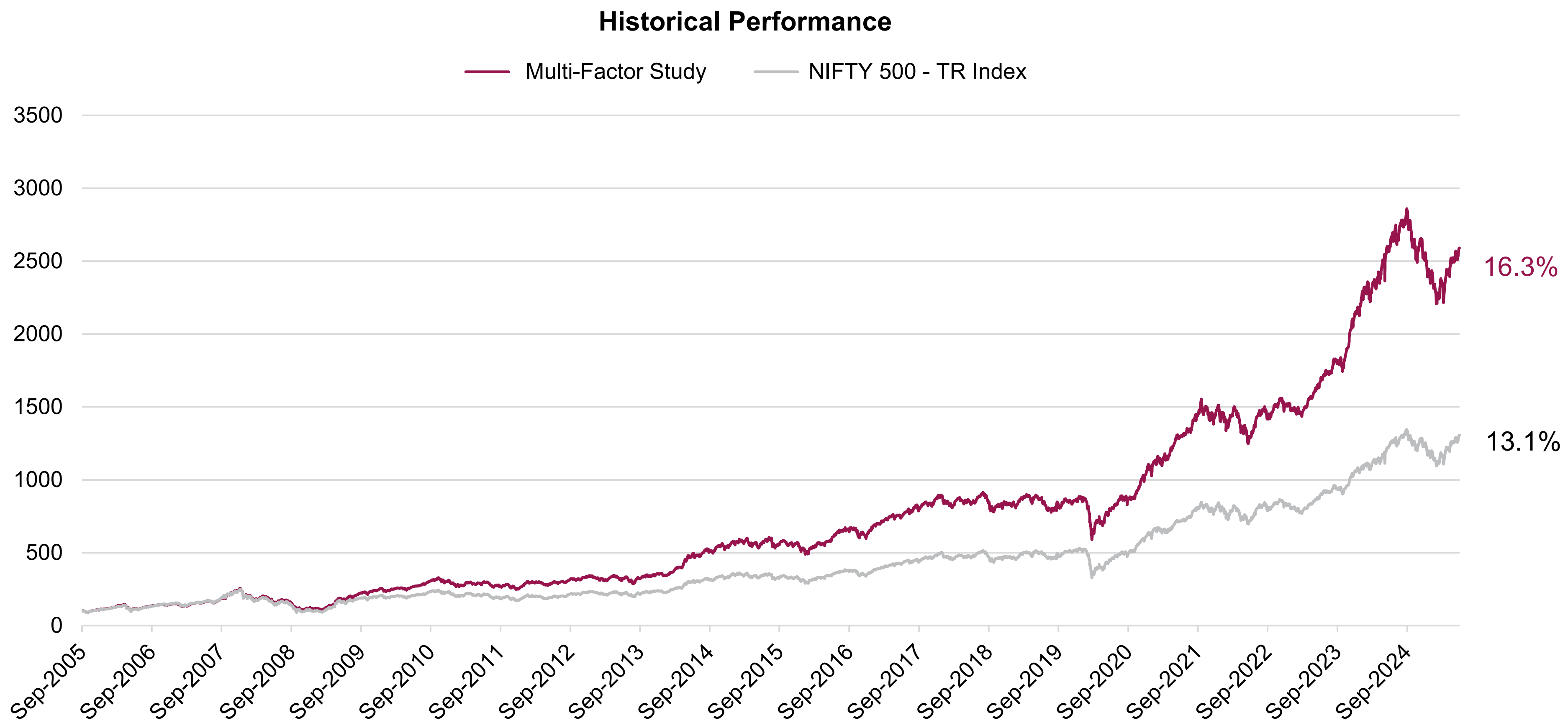
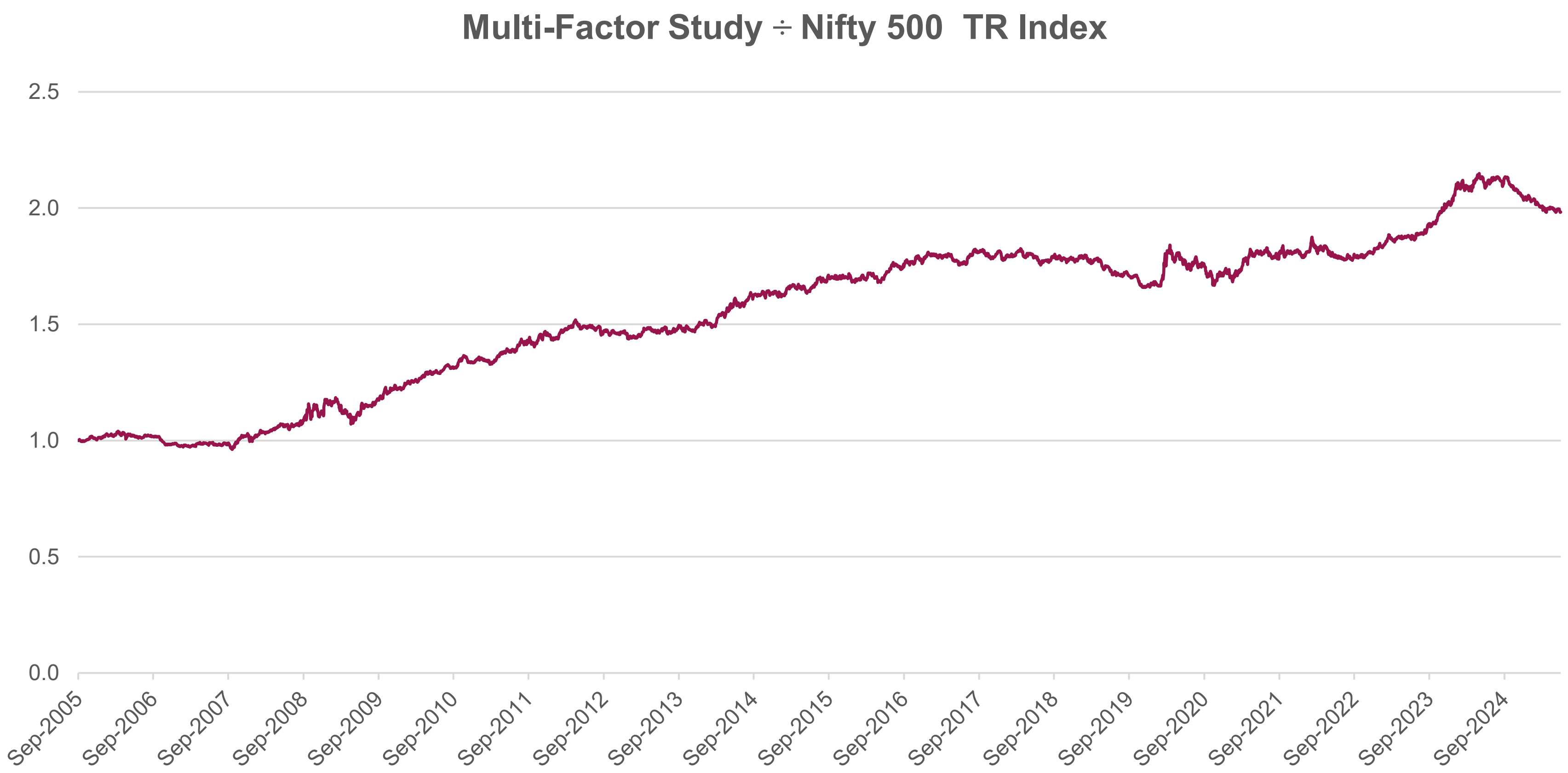
Multi-Factor Equal Weight outperforms the market over the long term



Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Returns shown are 15 Year Annualized Return.

Consistent outperformance over Nifty 500 historically



How to read this chart –

An upward sloping line indicates the strategy outperforming the benchmark and vice-versa.

Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

Multi-Factor Study: Performance

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	Data Label	Nifty 500 TR Index	Momentum	Low Volatility	Quality	Value	Multi-Factor Study
Annualized Returns	1 Year	5.7%	-8.8%	6.8%	3.2%	-1.1%	0.1%
	3 Year	22.0%	26.1%	20.3%	19.0%	39.3%	26.3%
	5 Year	24.0%	25.2%	21.2%	19.8%	40.5%	26.9%
	10 Year	14.4%	18.5%	14.4%	13.5%	17.9%	16.5%
	15 Year	13.1%	19.3%	14.7%	15.1%	14.1%	16.3%
Volatility	**15 Year**	16.3%	18.5%	13.7%	14.1%	23.8%	16.2%

Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty 500 Value 50 TR Index

Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure : For entire list of factors across market caps.

Factors Rotate, But Multi-Factor Majorly Stays Steady

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2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD-2025	15 Year CAGR
Mom 44.2%	Value 109.0%	LowVol -42.3%	Value 133.0%	Value 30.9%	Quality -10.1%	Mom 38.8%	Quality 19.6%	Value 78.9%	Mom 10.8%	Value 25.1%	Mom 57.5%	Quality 8.9%	Mom 10.6%	Quality 26.3%	Value 56.4%	Value 23.2%	Value 62.6%	Mom 21.3%	Value 7.3%	14.1%
LowVol 43.3%	Mom 100.8%	Quality -50.0%	Quality 131.0%	Quality 28.4%	LowVol -12.0%	MultiFactor 34.0%	Mom 12.9%	MultiFactor 53.0%	LowVol 9.8%	Mom 9.6%	Value 47.0%	LowVol 7.4%	Nifty500 9.0%	LowVol 24.3%	Mom 53.8%	Nifty500 4.2%	MultiFactor 41.8%	Value 20.2%	Nifty500 6.1%	13.1%
Nifty500 36.2%	MultiFactor 71.1%	MultiFactor -52.3%	MultiFactor 107.5%	MultiFactor 26.2%	Mom -16.1%	Nifty500 33.5%	LowVol 6.6%	Mom 49.6%	MultiFactor 3.9%	MultiFactor 9.5%	MultiFactor 41.1%	Mom -1.7%	Quality 5.6%	MultiFactor 20.6%	MultiFactor 39.9%	MultiFactor 3.8%	Mom 41.7%	MultiFactor 17.2%	LowVol 5.7%	14.7%
MultiFactor 33.2%	Nifty500 64.6%	Nifty500 -56.5%	LowVol 92.9%	LowVol 25.5%	MultiFactor -19.4%	Value 32.1%	MultiFactor 6.3%	Quality 40.5%	Quality 2.4%	Nifty500 5.1%	Nifty500 37.7%	Nifty500 -2.1%	LowVol 5.2%	Mom 20.0%	Nifty500 31.6%	LowVol 2.0%	LowVol 31.9%	Nifty500 16.2%	MultiFactor 3.3%	16.3%
Quality 31.9%	Quality 50.5%	Value -56.7%	Nifty500 91.0%	Mom 19.8%	Nifty500 -26.4%	LowVol 32.1%	Nifty500 4.8%	Nifty500 39.3%	Nifty500 0.2%	LowVol 3.1%	LowVol 30.3%	MultiFactor -3.5%	MultiFactor 2.0%	Nifty500 17.9%	Quality 26.2%	Quality -4.4%	Quality 31.7%	Quality 14.2%	Quality 2.2%	15.1%
Value 14.1%	LowVol 31.5%	Mom -60.0%	Mom 69.3%	Nifty500 15.3%	Value -37.7%	Quality 31.4%	Value -14.0%	LowVol 36.8%	Value -7.2%	Quality 1.0%	Quality 30.3%	Value -26.2%	Value -13.7%	Value 8.5%	LowVol 24.2%	Mom -5.4%	Nifty500 26.9%	LowVol 12.4%	Mom -2.5%	19.3%

- **Multi-Factor Study shows it has given better returns than Nifty 500 for 14 instances out of 20 years of period.**
- **Adding Factors to your portfolio can help improve risk-adjusted returns**

Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty500 Value 50 TR

Source: NSE and BSE Indices, Date : 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Refer Annexure For entire list of factors across market caps.

Multi-Factor Equal Weight: Better rolling returns

AXIS ASSET MANAGEMENT

Multi-Factor Equal Weight outperforms the market over the long term on a rolling return basis as well.

	1 Year Rolling Returns		3 Year Rolling Returns		5 Year Rolling Returns	
Data Label	**Nifty 500 TR Index**	**Multi-Factor Study**	**Nifty 500 TR Index**	**Multi-Factor Study**	**Nifty 500 TR Index**	**Multi-Factor Study**
Average	16.7%	21.4%	12.6%	17.2%	12.7%	17.1%
Median	12.7%	15.7%	13.3%	17.9%	13.1%	17.2%
Min	-60.6%	-54.7%	-8.7%	-5.5%	-1.6%	0.4%
Max	121.4%	135.4%	34.1%	41.0%	29.6%	32.1%

CAGR Ranges	**% of observations**					
Negative	20.3%	17.6%	6.2%	2.0%	0.8%	0.0%
0% to 10%	23.4%	23.1%	26.5%	17.1%	28.2%	9.2%
10% to 15%	10.5%	8.4%	28.7%	16.3%	32.9%	27.8%
15% to 20%	7.6%	5.7%	22.8%	27.7%	32.5%	31.7%
Above 20%	38.1%	45.2%	15.9%	37.0%	5.6%	31.4%
	56.3%	59.3%	67.4%	81.0%	71.0%	90.8%

Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Low Volatility = Nifty100 Low Volatility 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty 500 Value 50 TR Index

Source: NSE and BSE Indices, Data from 30-Sep-2005 to 30-Jun-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

Key Take Away

1. Factor investing is increasingly catching attention of investors, globally as well as in India. In India Factor based funds AUM has grown to ~44,000* cr.

2. Factors has historically exhibited outperformance to the broad-based benchmarks

3. Factor selection and timing can be challenging on individual basis.

4. Increasingly investors and advisors are using factor blending approach aiming to generate excess returns over market

5. According to Multi-Factor Study, four factor equal weight has exhibited outperformance to Nifty 500 TRI historically, in terms of point to point and rolling performance.*

6. Rule-based factor investing helps mitigate behavioral biases such as overconfidence, herd mentality, and loss aversion by enforcing a disciplined and systematic investment process.

7. Equity taxation is handled at the fund level for ETFs, allowing investors to benefit from tax efficiency, especially when rebalancing between factors, which would otherwise trigger capital gains if done individually.

Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. Date : 30-May-2025. https://www.axismf.com/cms/sites/default/files/Statutory/Q1.pdf

***However, there many other factor across market cap. For entire list of factors across market caps, refer Annexure.**

Why Axis AMC

Why AXIS AMC

- Axis AMC is one of the prominent asset management companies with an overall AUM exceeding INR 3,00,000 crore and over 1 crore active investor accounts, enjoying strong brand recognition and investor
- A committed and skilled leadership team concentrating on Passive Funds.
- Continuous research accompanied by valuable data insights tailored to monitor and advise on established & emerging investment ideas
- A diverse selection of passive funds, featuring a total of 34 options across equity, debt, and commodities
- Research initiatives spearheaded by professional with extensive experience of over 15 years working domestic and international index providers, NSE, BSE, and S&P Dow Jones Indices

Annexure

Annexure

AXIS ASSET MANAGEMENT

Fund Holdings

Underlying Holdings	Percentage (%)
ICICI Pru Nifty 100 Low Volatility 30 ETF	24.75
SBI Nifty 200 Quality 30 ETF	24.48
ICICI Pru Nifty 200 Momentum 30 ETF	25.10
Axis Nifty500 Value 50 ETF	24.96
Debt, Cash & other current assets	0.72
Total	100.00

Source: Nifty Indices, Data as of 30-Jun-2025. Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only. The Stocks mentioned herein are for general assessment purpose only and not a complete disclosure of every material fact. It should not be construed as investment advice to any party. https://niftyindices.com/

Annexure

AXIS ASSET MANAGEMENT

Indicative list of factors across all market caps

1. **Momentum** : Tracks stocks that have recently performed well based on risk adjusted price performance.
2. **Quality** : Focuses on financially healthy companies with strong profitability and stable earnings.
3. **Growth** : Targets firms with above-average revenue or earnings expansion potential.
4. **Value** : Invests in undervalued companies based on metrics like price-to-earnings or book value.
5. **Alpha** : Select stocks that show excess returns over the broader market through smart factor tilts.
6. **Low Volatility** : Selects stocks that show relatively stable price movements to reduce risk.
7. **High Beta** : Tilts towards stocks that are more volatile and sensitive to market moves.
8. **Dividend** : Prioritizes companies that consistently pay dividends or have high yields.
9. **Equal Weights** : Assigns the same allocation to each stock, avoiding concentration

Information mentioned above are used to explain the concept and is for illustration purpose only.

Key Fundamental Attribute Changes (FAC)

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	Scheme Features
Name of the scheme	Axis Multi Factor FoF Passive
Category	Category : Equity Oriented FoF Sub-category: FoF based on single theme
Type of the scheme	An open ended fund of funds scheme investing in units of domestic Equity ETFs falling under the factor theme.
Theme	Factor theme
Option	Passive

The Scheme characteristics including the investment strategy shall be changed post change fundamental attribute which will be effective from July 17, 2025. Please refer www.axismf.com for Notice issued for additional changes in fundamental attribute.

Key Fundamental Attribute Changes (FAC)

AXIS ASSET MANAGEMENT

	Scheme Features
Investment Strategy	The scheme follows an active investment strategy. The Scheme, being a fund of funds scheme, will invest in units of ETFs (managed by Axis Mutual Fund or any other Mutual Fund(s)) within the asset allocation pattern. The fund manager based on their outlook / model will decide on the weightage to be assigned to one or more factor-oriented ETFs subject to investments in schemes falling under a single factor not exceeding 40% of the net assets of the scheme. Indicative list of factors across all market caps where the scheme will invest: i. Momentum ii. Quality iii. Growth iv. Value v. Alpha vi. Low Volatility vii. High Beta viii. Dividend / Dividend Opportunity / Dividend Points ix. Equal Weights. The fund manager may identify Domestic Equity ETFs from the above factors that are likely to outperform over a medium to long term investment horizon. The scheme by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in equity markets.
Asset Allocation	See table below. For complete Asset allocation pattern, refer to the SID.

Asset Allocation:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Units of Domestic Equity ETFs falling under factor theme#	95%	100%
Debt and Money Market Instruments*	0	5%

* Including units of liquid and overnight schemes.

For complete Asset allocation pattern, refer to the SID.

The Scheme characteristics including the investment strategy shall be changed post change fundamental attribute which will be effective from July 17, 2025. Please refer www.axismf.com for Notice issued for additional changes in fundamental attribute.

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