Axis Consumption Fund

(An open-ended equity scheme investing in consumption theme)

Axis Mutual Fund - MF/061/09/02

Why invest in Consumption theme?

The Indian Consumption sector is undergoing a transformative shift, driven by evolving consumer behaviour and the emergence of new channels. However, given the concerns around geopolitical tensions and pressure on CPI, near-term opportunities are likely to be selective rather than broad-based. Demand trends appear sustainable, and several segments of the sector continue to demonstrate resilient performance despite macroeconomic uncertainties. We believe Government policy initiatives, including tax-related measures introduced in previous years, moderating inflation and relatively stable crude oil prices will be critical to support consumption trends over time.

Investment approach and Philosophy

The fund follows a bottom-up stock selection process by identifying companies that benefit from some of the key emerging trends in the consumption space:

- **Formalization** - Increased market share with the shift towards organised market
- **Urbanization** - The shift towards urbanization has led to changing lifestyles and work styles
- **Innovation** - Innovation is not limited to the tech industry; there is much innovation happening within the consumption segment
- **Penetration** - Massive scope for online penetration in categories like online fashion and grocery, quick commerce, etc

Premiumization - Consumers are upgrading to packaged, branded or higher priced offerings, or adding new products or services to their consumption routine.

The illustration below highlights the fund's investment philosophy.

Please refer to the Scheme Information document of the scheme for detailed asset allocation and investment strategy. Axis AMC may appoint investment advisors for overseas investments. Currently, Axis AMC has an arrangement with Schroders Investment Management Limited to seek investment advice for investment in foreign securities. The above strategy may change in future depending on market conditions or fund manager views.

Portfolio Update & Outlook:

Emerging and premium segments continuing to benefit from sustained demand from higher-income consumers. The fund remains overweight on these select themes, including **leisure and tourism, retail, healthcare services, telecom, select consumer franchises and EV-related opportunities**.

Government initiatives such as localisation programs and PLI scheme continue to support manufacturing businesses and are creating attractive investment opportunities. Hence, Fund is also increasing its exposure in select opportunities outside the consumption space where earnings growth and valuations appear more attractive.

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As equity markets increasingly reward earnings growth over valuation expansion, the fund has remained focused on high-conviction ideas while making selective portfolio adjustments to improve earnings capture and optimize the risk-reward profile. The number of holdings reduced from **62 stocks in March 2026 to 57 stocks in September 2026**, reflecting higher conviction in existing ideas and a more focused allocation approach. The fund manager remains highly constructive on the long-term outlook for consumption, particularly discretionary consumption.

Following the appointment of the new Fund Manager in July 2026, the fund has been undergoing a gradual transition towards a more growth-oriented portfolio. We remain constructive on the outlook and believe the strategy is well positioned to deliver favourable risk-adjusted returns over the long term.

Fund Positioning and Focus Themes

Our sector positioning is driven by stock selection rather than top-down allocation targets. As a result, active sector weights reflect areas where we continue to find the most compelling opportunities from a risk-reward and valuation perspective. The fund manager further diversifies the portfolio beyond the consumption sector by investing selectively in areas such as automobiles, manufacturing, capital markets and platform businesses that offer an attractive long-term risk-reward profile.

Consumer discretionary:

- **Retail** remains an attractive space: The preference is increasingly towards premiumisation-led businesses rather than traditional FMCG names. Areas of interest include **alcoholic beverages, innovative food and beverage companies**, and businesses that can benefit from consumers trading up to premium products
- **Jewellery –** Strong performing area
- **Multiplexes –** Attractive small-cap opportunity and recently added this theme as the business model has improved significantly
- **Hotels & Aviation -** Demand remains strong, supported by healthy average room rates (ARRs) and continued capacity additions

Capital Market and Platform Businesses:

- Opportunities in capital-market-linked businesses and select platform companies that are benefiting from India's ongoing financialization, increasing digital adoption, scalable business models, and potential for market-share gains.

Telecom Infrastructure

- Telecom infrastructure has emerged as another differentiated area of interest and is being evaluated as a potential growth theme.

Active Bets of 30th September 2026

Sector	Fund	OW/UW
Consumer Services	21.4	6.1
Media, Entertainment & Publication	1.4	1.4
Financial Services	1.3	1.3
Automobile And Auto Components	19.3	-5.6
Fast Moving Consumer Goods	19.4	-4.4
Healthcare	6.2	-2.0

Key Portfolio Changes – 1 Year (Sep 2026 v/s Sep 2025)

Company In	% of NAV	Company Out	% of NAV
United Spirits Limited	1.9%	HDFC Bank Ltd	-
Ather Energy Limited	1.6%	Ultratech Cement Ltd	-

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PVR INOX Limited	1.4%	Bajaj Finance Ltd	-
Increased allocation	**Change in %**	**Decreased allocation**	**Change in %**
Asian Paints Ltd	2.9%	Hindustan Unilever Ltd	-3.7%
Eternal Limited	1.6%	ITC Ltd	-1.9%
Titan Company Limited	1.5%	Maruti Suzuki India Limited	-1.8%

Source: Axis MF Internal Research. Data as on 30th September 2026. Current portfolio allocation is based on the prevailing market conditions and is subject to changes depending on the fund manager's view of the equity markets. For viewing complete portfolio, please refer website www.axismf.com

Market Cap Allocation:

The fund raised its mid-cap and small cap allocation compared to last year, taking advantage of the meaningful correction in the mid-cap space. At present, the portfolio is predominantly invested in large-cap companies. However, the fund manager also intends to progressively increase exposure to mid and small-cap stocks, selectively seeking opportunities with favorable long-term growth and risk-reward potential.

Market cap Allocation	Sep-2026	Sep-2025	Change
Large cap	71.8%	80.0%	-8.2%
Midcap	13.0%	9.9%	3.1%
Small cap	14.1%	8.4%	5.7%

Top Contributors and Detractors (Oct'2025 – Sep'26)

Key Contributors	Key Detractors
ITC Limited	Adani Power Limited
Ather Energy Limited	Bajaj Auto Limited
Vijaya Diagnostic Centre Ltd.	Swiggy Limited
TBO Tek Ltd.	Asian Paints Ltd.
Havells India Limited	Arvind Fashions Ltd.

Source: Axis MF Internal Research, Factset. The current portfolio allocation is based on the prevailing market conditions and is subject to changes depending on the fund manager's view of the equity markets. Sector(s) / Stock(s) / Issuer(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the stock mentioned, from time to time. For complete portfolio and other details please refer https://www.axismf.com/mutual-funds/equity-funds/axis-consumption-fund/cn-gp/regular

Performance:

		1 Year		3 Year		5 Year		Since Inception	
Fund Name	**Date of 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 Consumption Fund - Regular Plan - Growth	12-Sep-2024	-8.97%	9,103	NA	NA	NA	NA	-6.41%	8,730
Nifty India Consumption TRI (Benchmark)		-7.49%	9,251	NA	NA	NA	NA	-5.03%	8,997
Nifty 50 TRI (Additional Benchmark)		-7.09%	9,291	NA	NA	NA	NA	-4.40%	9,120

Data as of 30th September 2026. Past performance may or may not be sustained in future. Different plans have different expense structure. Hitesh Das is managing the scheme since 12th September 2024 and he manages 3 schemes of Axis Mutual Fund & Jayesh Sundar is managing the scheme since 3rd July 2026 and he manages 9 schemes of Axis Mutual Fund & Krishnaa N is managing the scheme since 12th September 2024 and she manages 24 schemes of Axis Mutual Fund. Returns greater than 1 year period is compounded annualised (CAGR). Face Value per unit: ₹10. Please click on link https://www.axismf.com/1/5/464/627/ALL_Annexure_Sep_2026_cebdb1633e.pdf to view the performance of other schemes currently managed by the fund manager.

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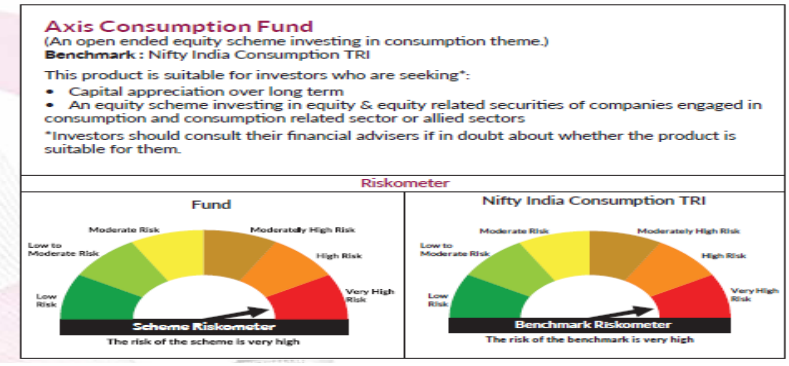
Product Labelling & Disclaimers



Disclaimer:

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