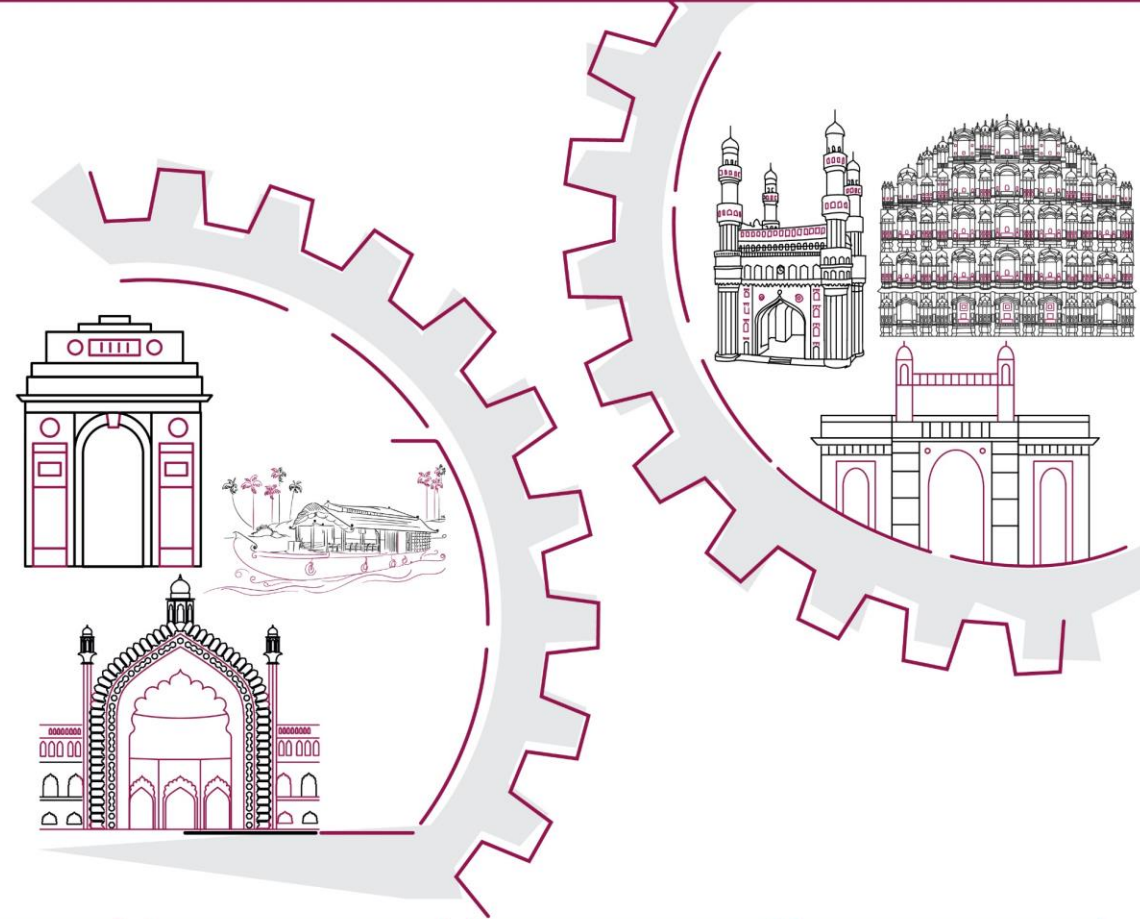


Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund

An open-ended Target Maturity index fund investing in constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028. Relatively High interest rate risk and Relatively Low Credit Risk.

NFO Opens: 5th January, 2023

NFO Closes: 16th January, 2023



Fund Name & Benchmark

Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund

(An open-ended Target Maturity index fund investing in constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028. Relatively High interest rate risk and Relatively Low Credit Risk.)

Benchmark Name:

CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028

Product Labelling

This product is suitable for investors who are seeking*:

- income over long term
- The scheme that seeks to provide Investment returns corresponding to the total returns of the securities as represented by CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028, subject to tracking errors

Product Risk-o-meter



Benchmark Risk-o-meter



Potential Risk Class (PRC) Matrix

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		A - III	

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

The product labeling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made

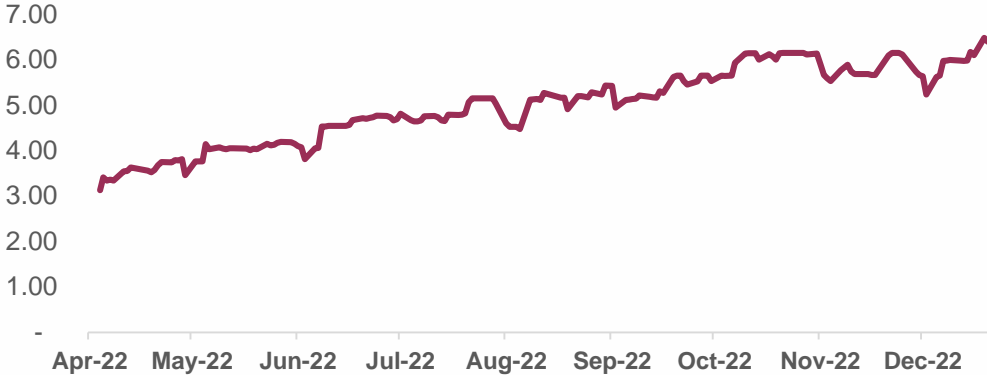
Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Fixed Income Landscape - 2022

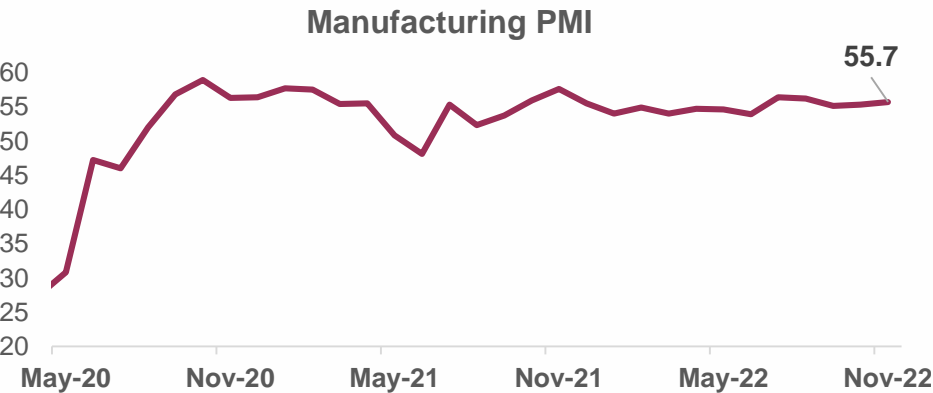
RBI Policy Rate Action – Hike by 225 bps

Policy Action	Apr '22	Dec '22
Policy Repo Rate	4.00%	6.25%
Standing Deposit Facility	3.75%	6.00%
MSF Rate	4.25%	6.50%

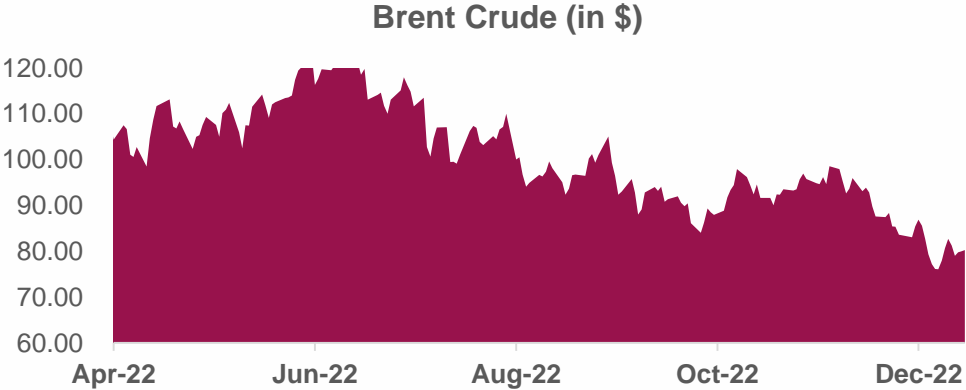
Operative rates effectively risen by over 300 bps



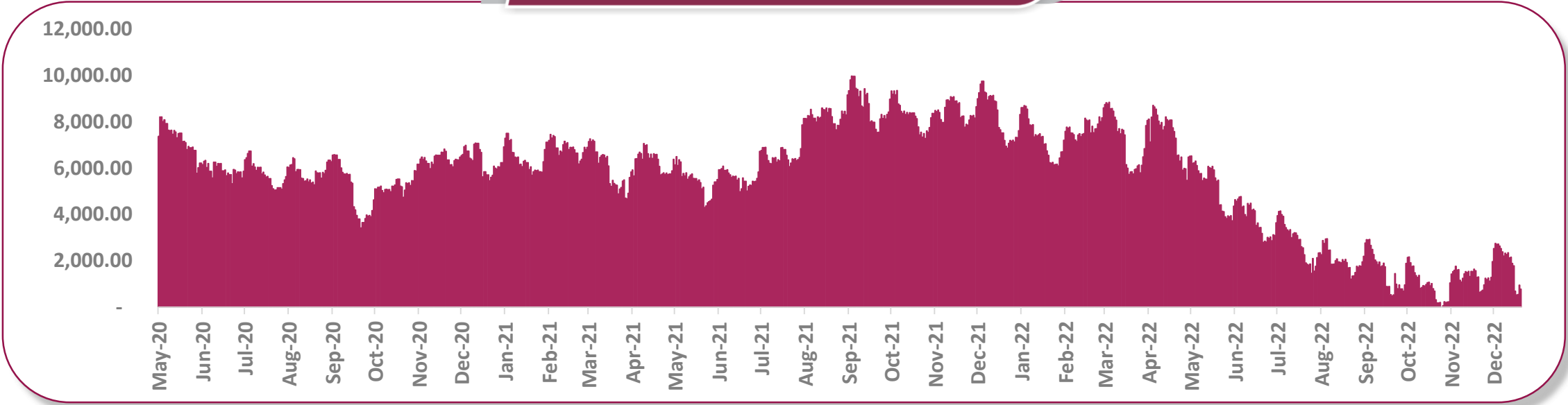
Robust Growth held by Domestic Demand



Substantial drop in Crude Oil prices from peak



Reduction in Banking Liquidity



RBI Policy Action – Slowing the Pace

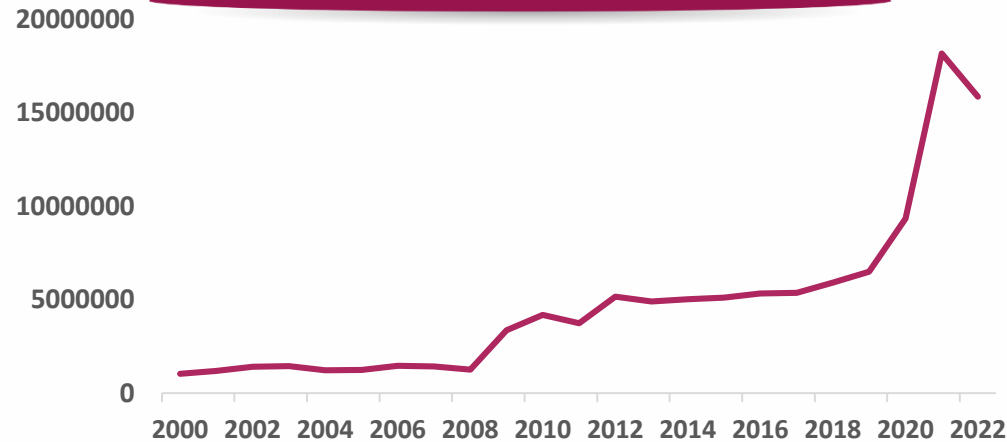
RBI signaled a slowdown in the pace of hikes by raising rates by **35 bps** instead of 50 bps in the recent policy

Withdrawal of accommodative stance along with reduction in system liquidity

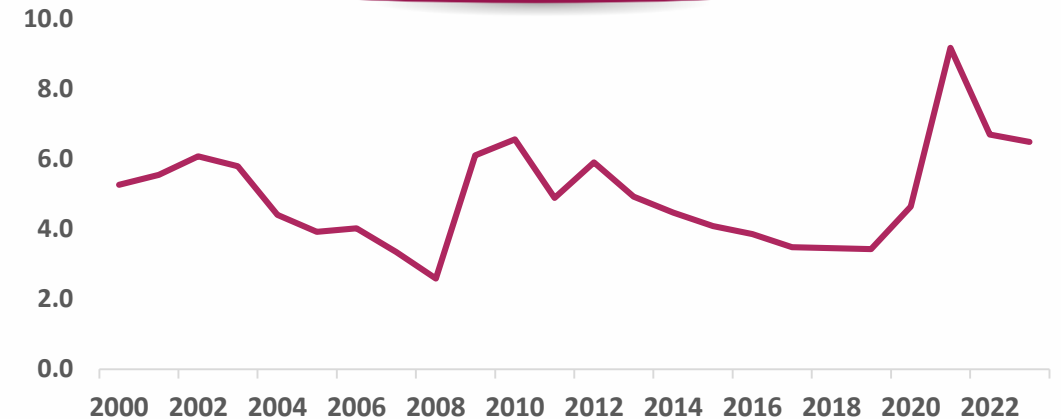
RBI Policy continues to focus on inflation and inject liquidity as and when required

India's Fiscal Health

Fiscal Deficit (in Crs)



Fiscal Deficit (as a % of GDP)

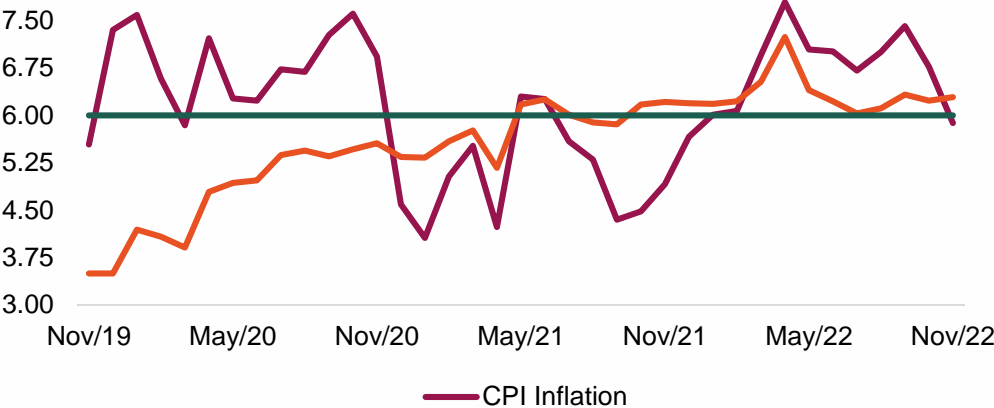


Fiscal Adherence @ 6.5% of GDP

- Government Deficits at near record highs as a percentage of GDP. Rise in deficit largely attributable to increased spending.
- Despite higher food and fuel subsidy burden, strong tax revenues has helped in managing the deficit
- Expectation of Fiscal Consolidation in the upcoming budget.

Inflation - At an 11 - Month Low

Core inflation exhibits stickiness; Headline Inflation slumps below expectations



RBI QoQ Inflation Projection

2022-2023	Inflation (in %)
Q3 - FY 2022-23	6.6
Q4 - FY 2022-23	5.9
Q1 - FY 2023-24	5.0
Q2 - FY 2023-24	5.4

Medium Term Inflation Outlook looks positive

- Inflation numbers for the month of Nov '22 came at 5.88%, much lower than 6.77% in Oct '22; and within RBI's tolerance band of 2-6%.
- FY23 CPI projection retained at 6.6%.
- Future inflation trajectory remains largely dependent on domestic food prices.

Global Rate Hikes – Nearing the Peak?

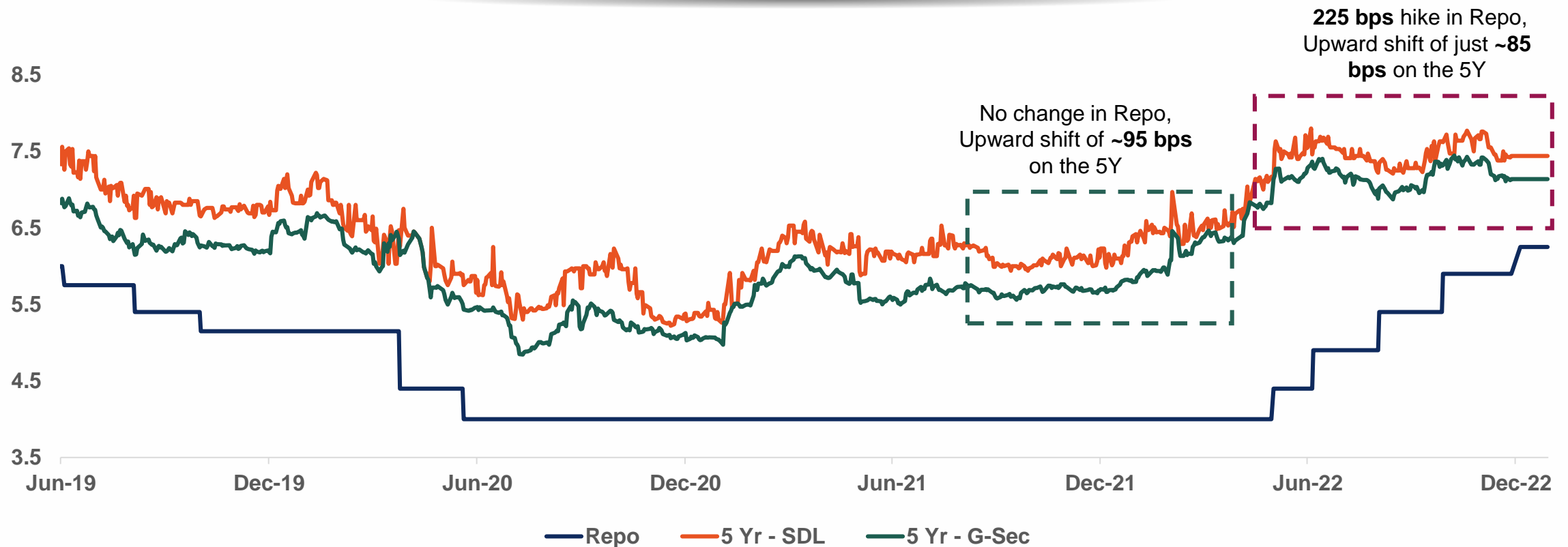
Indian Bond Markets less affected by rate hikes globally

- Aggressive (larger quantum) and front loading of rate hikes were seen by central banks across the world this year
- US Fed indicated a slow down in the pace of hikes as it increased the rate by **50 bps** instead of **75 bps**
- **Euro-zone inflation slowed down in the month of Nov '22** for the first time in 18 months showing a silver lining to the European Central Bank
- With inflation slumping down and pace of rate hikes slowing, RBI is expected to keep their rate decisions in line with Fed hikes and looks to settle the repo rate at **6.50-6.75% by Mar 2023**.

	Current Policy Rate (%)	Rate Hikes Apr'22 – Dec'22 (In Bps)
USA	4.50	375
Australia	3.10	310
Canada	4.25	325
Eurozone	2.50	250
India	6.25	225
UK	3.50	275
Japan	-0.10	Nil

How does the 5Y curve react to interest rate changes?

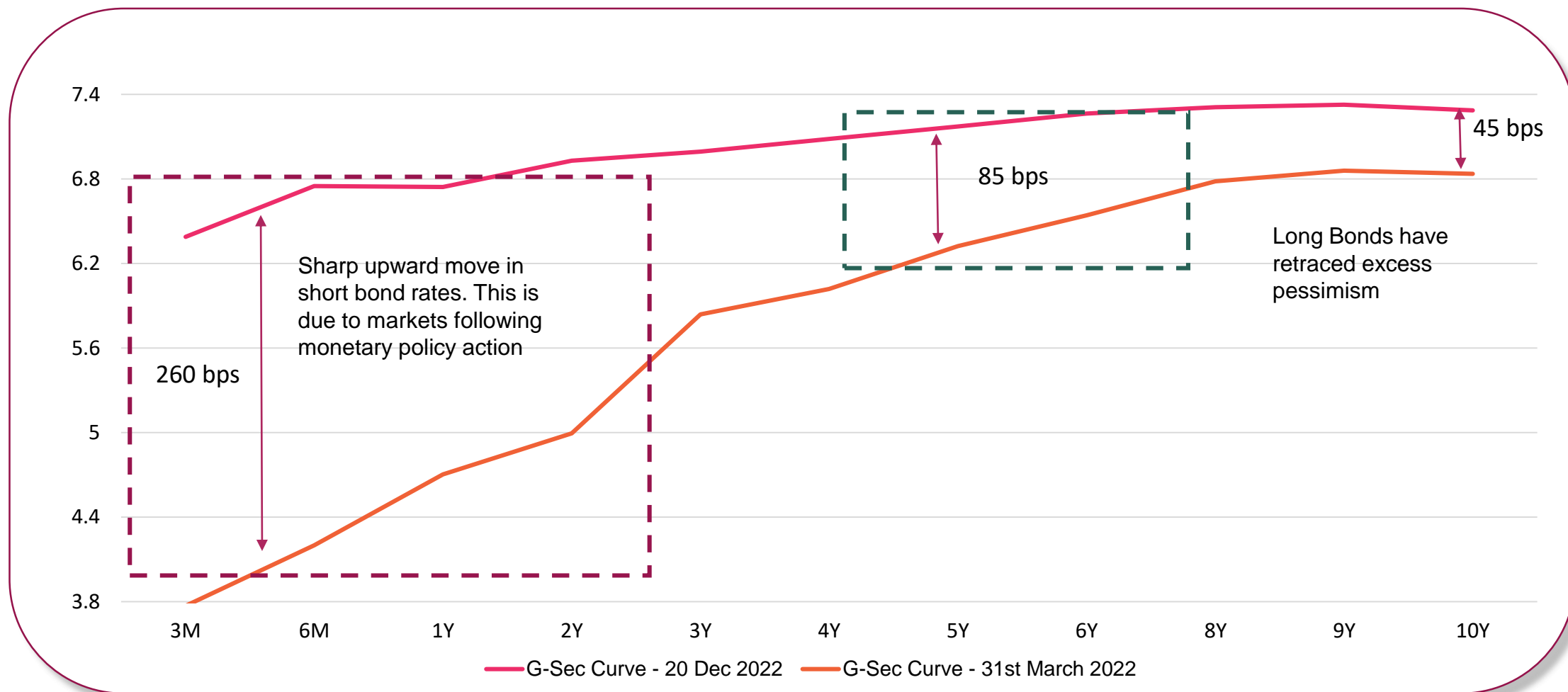
The 5Y curve reacts in anticipation of rate hikes



Incremental Repo Rate hikes to have minimal impact on the 5Y curve

Current Opportunity

Yield curve is flat

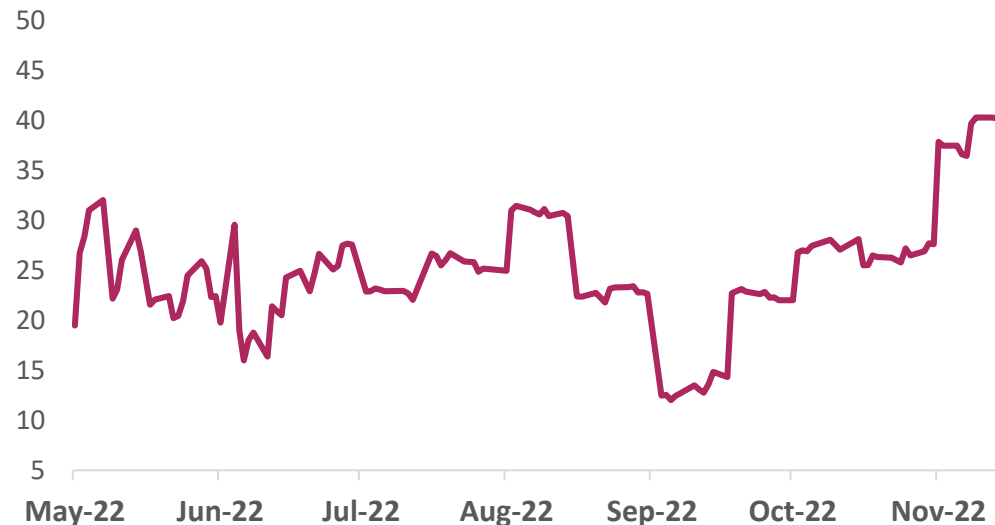


Source: Bloomberg, Axis MF Research. Data as of 20th December 2022. The above graph is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. Past performance may or may not be sustained in future.

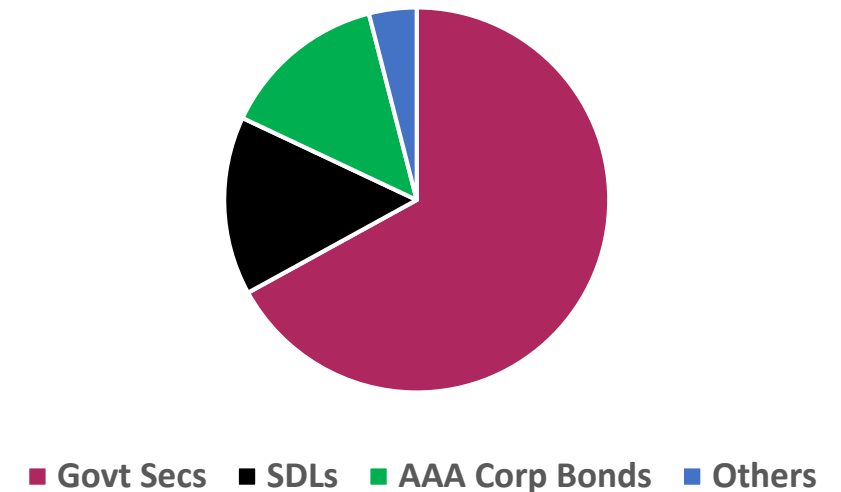
Why invest in a portfolio of G-Secs & SDLs?

- Sovereign instruments with minimal default risk
- Narrow spreads in comparison to AAA PSU Bonds
- Highly liquid portfolio (>80% of issuances in India are G-Secs + SDLs)

AAA PSU Bonds vs 5 Yr G-Sec & SDL Spreads



Bond Issuances in India



Axis CRISIL IBX 50:50 G-sec Plus SDL June 2028 Index Fund

(An open-ended target maturity index fund investing in constituents of CRISIL IBX 50:50 Gilt Plus SDL index – June 2028. A relatively high interest rate risk and relatively low credit risk)



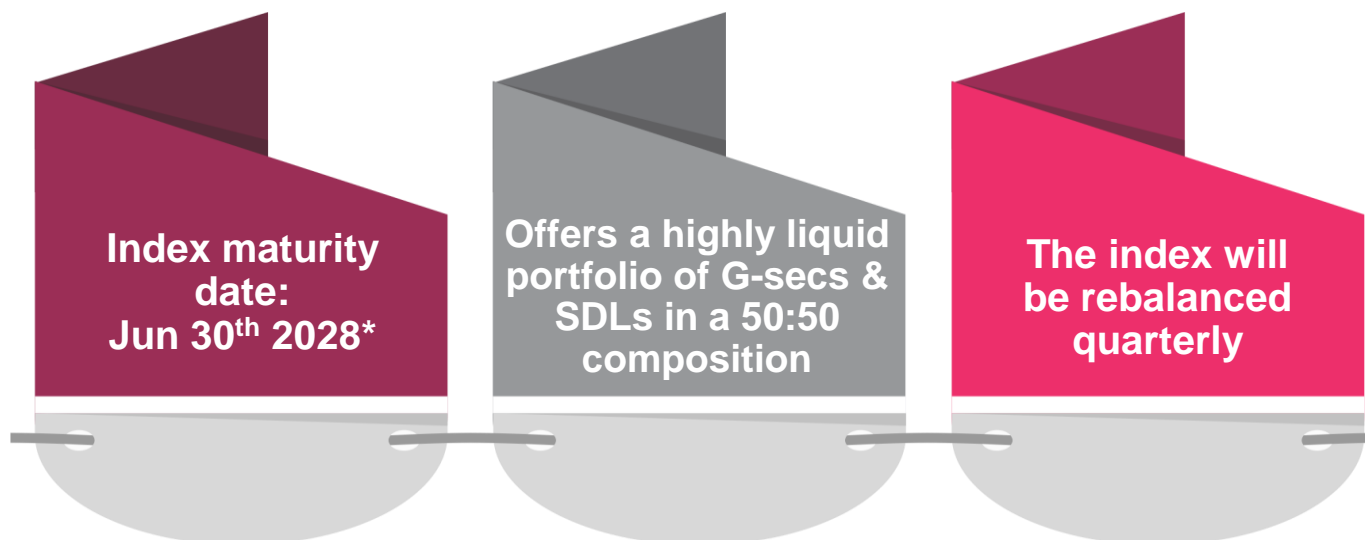
About the Index – CRISIL IBX 50:50 Gilt Plus SDL - June 2028

Overview

- **CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index** is a portfolio of Government Securities & State Development Loans (SDLs) maturing between January 01, 2028 to June 30, 2028.
- The index will be managed by CRISIL Indices

How is the Index Constructed

- The index comprises of Govt. Securities and SDLs with an individual weightage of 50% to each of them respectively
- Minimum outstanding of **Rs. 25000 Crs** for G-Secs and **Rs.500 crs** for SDLs
- **Emphasis on liquidity** – Index will be evaluated basis volume and frequency of trading in underlying securities
- Weighted basis liquidity and size of issuance to **ensure portfolio liquidity**



Source: CRISIL Indices

Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund will endeavor to replicate the performance of this index subject to tracking errors by replicating the allocation of Government securities and SDLs. For complete details on the index refer SID uploaded on website www.axismf.com. Data as on 15th December 2022. *In case the mentioned maturity date falls on a Non-Business Day, the immediate next Business Day will be considered.

CRISIL IBX 50:50 G-Sec Plus SDL June 2028 Index Constituents

As of December 15th 2022



50% G-secs

Central G-Secs – 7.17% 2028

Central G-Secs – 8.60% 2028

50% SDLs

GUJARAT

TELANGANA

KERALA

TAMIL NADU

PUNJAB

UTTAR PRADESH

ANDHRA PRADESH

WEST BENGAL

KARNATAKA

RAJASTHAN

HARYANA

CHATTISGARH

Source: CRISIL Indices.

Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund will endeavor to replicate the performance of this index subject to tracking errors by replicating the composition of CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Issuers mentioned above are for illustrative purposes only. This document should not be treated as a recommendation to trade in securities issued by the above mentioned issuers. Data as on 15th December 2022. The Scheme shall track the underlying index in line with SEBI circular no. SEBI/HO/IMD/DOF2/P/CIR/2022/69 dated May 23, 2022.

Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund

Fund Snapshot

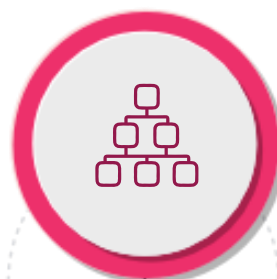
Minimum Investment
Rs. 5,000 and in
multiples of Re. 1/-
thereafter

Exit Load
Nil

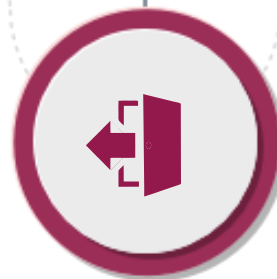
Maturity Date
30th Jun 2028*



Scheme Name
Axis CRISIL IBX 50:50 Gilt
Plus SDL June 2028
Index Fund



Portfolio Mix
G-Secs + SDLs

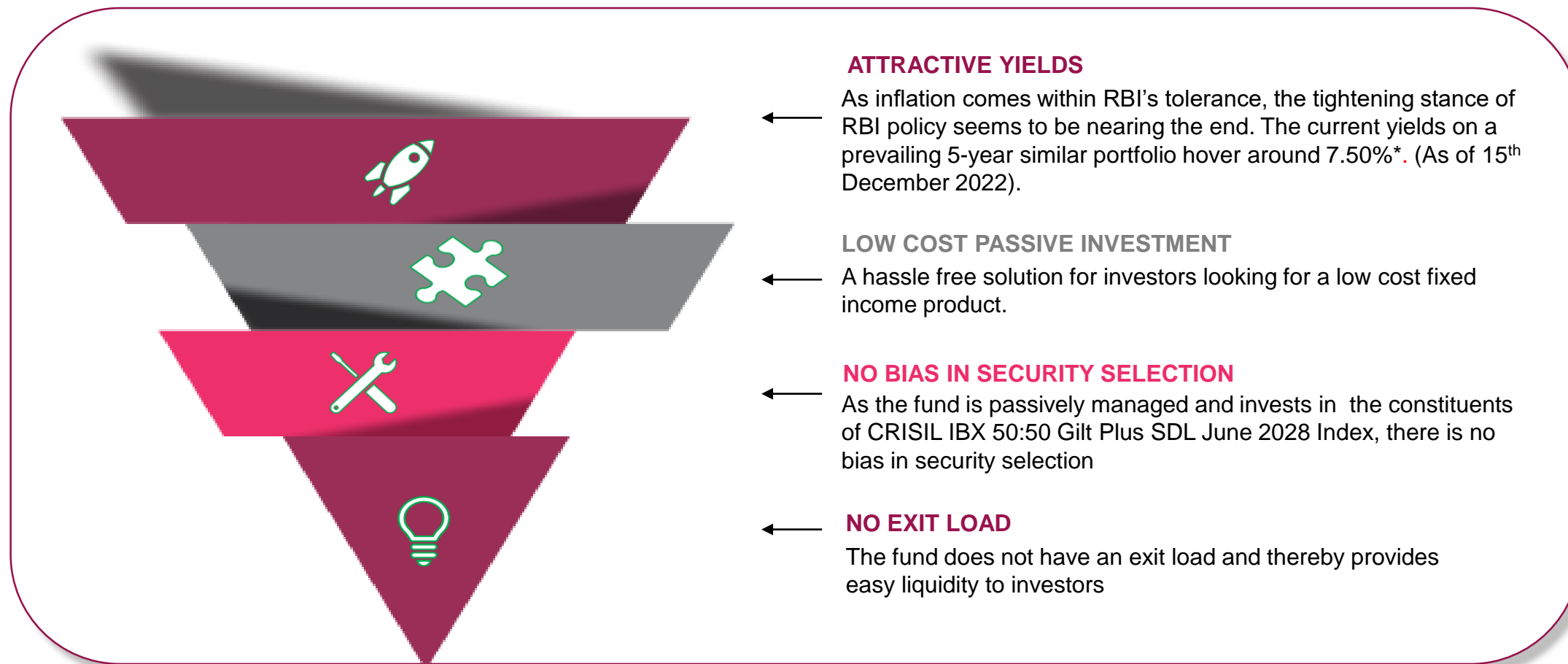


Benchmark
CRISIL IBX 50:50 Gilt
Plus SDL - June 2028
Index



Fund Manager
Hardik Shah &
Kaustubh Sule

Why Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund ?



Source: Bloomberg, Axis MF Research. Data as of 15th December 2022. The above factors are not exhaustive.

Investors are advised to consult their tax advisors for advice on taxation matters relating to your portfolio and suitability of the product.

*Yields should not be taken as an indication of the returns that may be generated by the fund and the securities bought by the fund.

Annexures



Identifying which product is right for you?

Selecting the right product is essential to meet your investment objectives

	Target Maturity Products	Actively Managed Debt Mutual Funds	Individual Bonds
Return Trajectory*	✓	✗	✓
Liquidity	✓	✓	✗ [#]
Diversification	✓	✓	✗
Professional Management	✓	✓	✗
Defined Maturity	✓	✗	✓
Frequency of Income	At the time of redemption/maturity	Depending on plan of investment	Determinant on coupon frequency. Some bonds pay out cumulatively on maturity
Tax Efficiency	Indexation features available for LTCG	Indexation features available for LTCG	Indexation features available for LTCG for select bonds

* At Maturity [#]Bond liquidity may vary due to vagaries of debt markets

Investors must consult their financial advisors/ tax advisors regarding portfolio allocation and suitability of funds depending on the risk profile of the investor.

Illustration on Power of Indexation

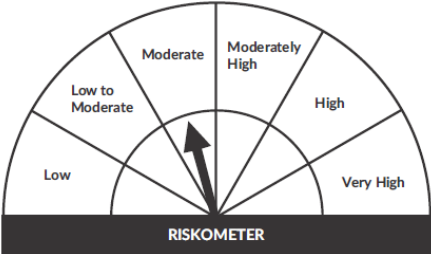
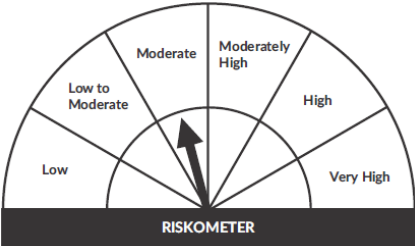
The fund will offer investors 6 indexations[@] during its lifetime.

	Traditional Savings Scheme	Debt Index Fund
Investment Amount	1,00,000	1,00,000
Rate of Return (%) (Assumed)	7.50%	7.50%
Return on Maturity	1,48,275	1,48,275
Indexation Available	No	Yes
Indexed Value	NA	1,41,852
Taxable Income	48,275	6,423
Tax Payable*	14,483	1,285
Post Tax Return	33,792	46,991
Effective Post tax Return (CAGR)	5.49%	7.33%

The above calculations are only for illustration purposes. The information given on Investment and rate of return are for the purpose of explaining the illustration only. These are not to be considered for investment advice or guarantee of returns. Investors are advised to consult their Investment / tax advisors. To be used for illustrative purposes only.

Data as on 15th December 2022. **Past performance may or may not be sustained in the future.** @ assuming investments are made before 31st March 2023 and held beyond April 1st 2028. *Tax Rate considered 30% exclusive of applicable surcharges & cess. ** Tax as per LTCG income tax provisions exclusive of applicable surcharges & cess. This computation is for resident individual investors. Cost inflation index assumed at 6% p.a. Fund related expenses ignored for this illustration.

Product Labelling

Fund Name & Benchmark	Product Labelling	Product Risk-o-meter	Benchmark Risk-o-meter
<p>Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund</p> <p>(An open-ended Target Maturity Index Fund investing in constituents of CRISIL IBX Gilt Plus SDL Index – June 2028 A Relatively High Interest Rate Risk and Relatively Low Credit risk)</p>	<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none">income over long termThe scheme that seeks to provide Investment returns corresponding to the total returns of the securities as represented by CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028, subject to tracking errors	 <p>Investors understand that their principal will be at moderate risk</p>	 <p>CRISIL IBX Gilt Plus SDL Index– June 2028</p>

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
(The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made)

Potential Risk Class Matrix

Credit Risk ➡	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

Statutory Details and Risk Factors

Past performance may or may not be sustained in the future.

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.

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Trustee: Axis Mutual Fund Trustee Ltd.

Investment Manager: Axis Asset Management Co. Ltd. (the AMC).

Risk Factors: Axis Bank Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme. This document represents the views of Axis Asset Management Co. Ltd. and must not be taken as the basis for an investment decision. Neither Axis Mutual Fund, Axis Mutual Fund Trustee Limited nor Axis Asset Management Company Limited, its Directors or associates shall be liable for any damages including lost revenue or lost profits that may arise from the use of the information contained herein. No representation or warranty is made as to the accuracy, completeness or fairness of the information and opinions contained herein. The AMC reserves the right to make modifications and alterations to this statement as may be required from time to time.

Statutory Details: Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to `Rs.1 lakh).

"#It may be noted that risk-o-meter of the Scheme specified above is based on the scheme characteristics and may vary post NFO, when the actual investments are made. The same shall be updated in accordance with provisions of SEBI circular dated October 5, 2020 on Product labelling in mutual fund schemes on ongoing basis."

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

Thank You