

**NEW FUND OFFER**  
NOV 16, 2017  
to NOV 30, 2017



# One theme, multiple opportunities.

Introducing HDFC Housing Opportunities Fund.

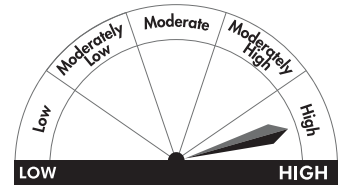
Everyone aspires to own a house and hence, demand for housing. The government, on its part, is determined to address this crucial need through its programme "Housing for All by 2022", leading to an increase in demand in businesses related to housing. The Fund intends to invest in opportunities arising out of these businesses - right from finance to steel, cement to paints and other building materials. So invest today.

This product is suitable for investors who are seeking\*:

- . Capital appreciation over 1140 days (tenure of the plan)
- . Investment predominantly in equity and equity-related instruments of entities engaged in and/or expected to benefit from the growth in housing and its allied business activities

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

Riskometer



Investors understand that their principal will be at high risk



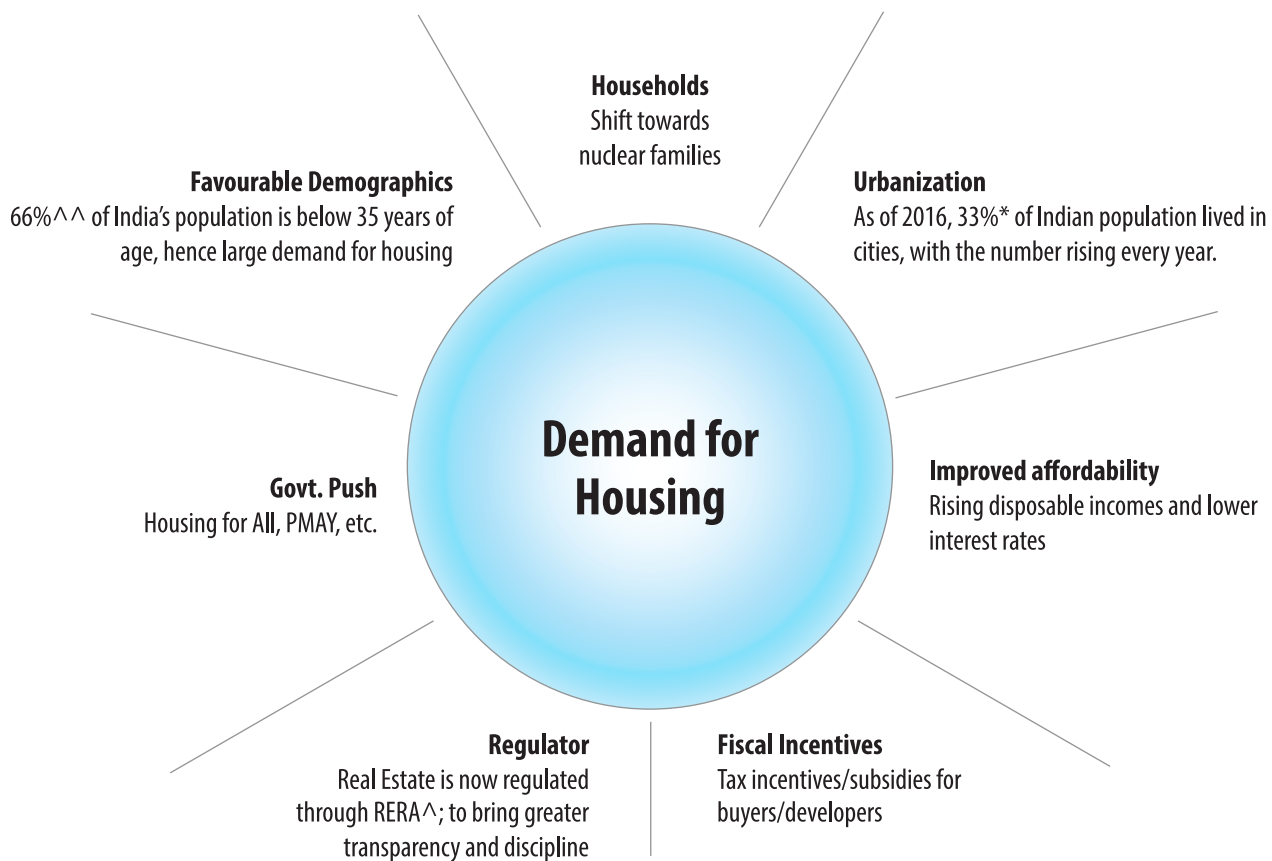
(A Close-Ended Thematic Equity Scheme)  
HDFC HOF - I - 1140D November 2017 (I)



# HDFC Housing Opportunities Fund - Series 1

(A Close-Ended Thematic Equity Scheme) - HDFC HOF - I - 1140D November 2017 (1)

## Housing - A Changing Landscape



Source: \*World Bank, ^ Real Estate (Regulatory & Development) Act, 2016, notified by Central Government, ^^Ministry of Statistics and Programme Implementation.

## 'Housing for All by 2022' - Building the future

### Political Will

- Strong political will under Government's 'Housing for All'
- Target to build 5 cr homes\* over five years under Pradhan Mantri Awaas Yojana - Urban and Gramin

### Action Plan

- Direct funding from Central and State Governments
- Ensuring active participation by private sector through various incentives

### Incentives

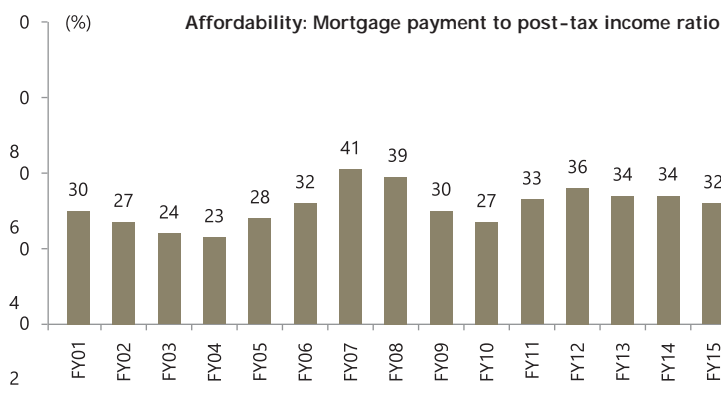
- Interest subsidy provided to low and mid income group<sup>^</sup>
- Affordable housing is the only segment in housing sector to get 100% tax exemption for developers\*\*
- 90% of govt run pension fund EPFO can be withdrawn for home purchase^^

Source: \*PMAY Gramin and PIB Government of India, \*\*incometaxindia.gov.in, ^Ministry of Housing and Urban Affairs, ^^EPFO notification dated 12th April, 2017.

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## Affordability to buy a House has increased



A lower ratio indicates higher affordability

### Why affordability has increased?

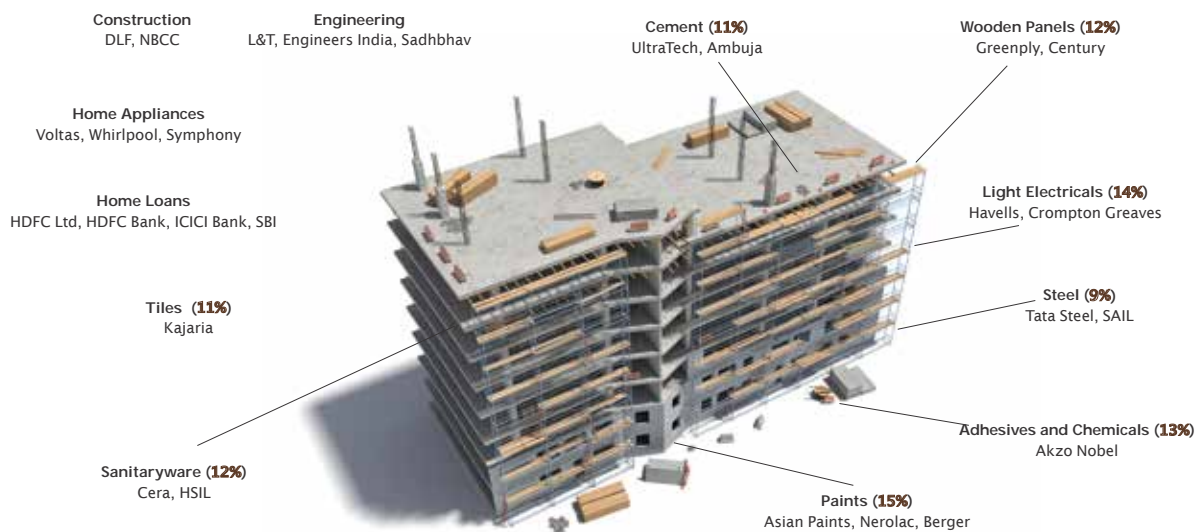
- Stable property prices for 3+ years
- Steady rise in income at 9-10% CAGR
- Mortgage rates down 250bps from 5-year peak, effective 15% reduction on mortgage payments

### Best ever affordability along with government subsidies

Affordability refers to houses costing Rs. 30 lakhs.

Source: CLSA

## Housing demand to boost various industries



### Presenting a great investment opportunity

Percentages mentioned are estimated value CAGR from housing-linked demand FY 17-24, barring steel, which is Volume CAGR (estimates). Source: CLSA

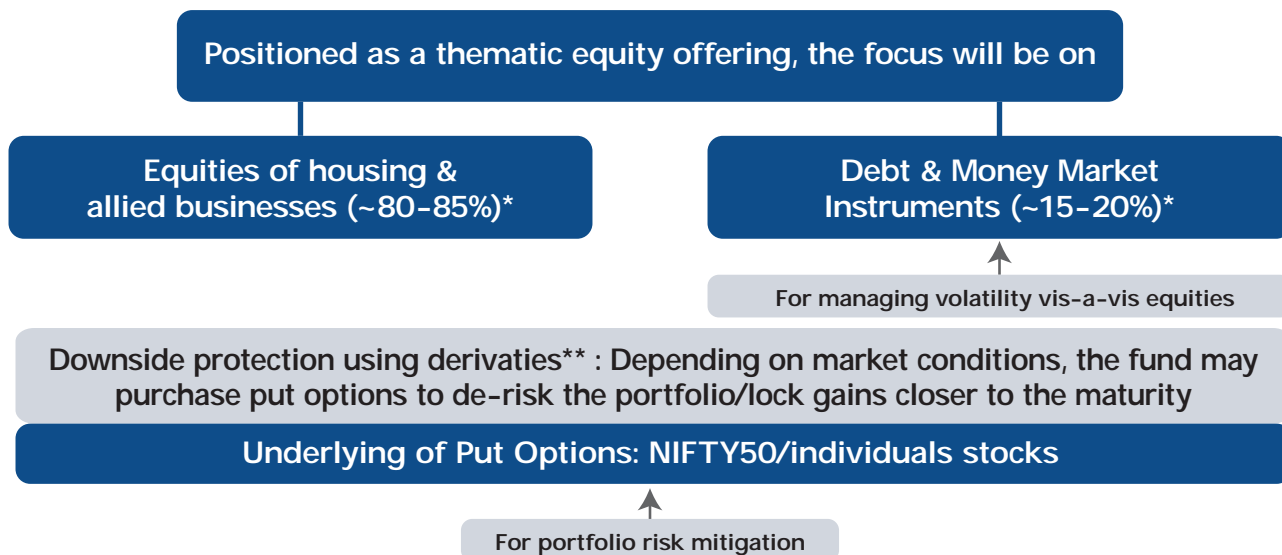
Names of entities/industries mentioned are currently part of the benchmark and provided for illustration purposes only, to depict the diversified nature of the opportunity and does neither, in any manner, reflect the nature of the actual portfolio, nor are stock recommendations made by HDFC AMC. Stocks/Sectors referred above are illustrative and not recommendations made by HDFC Mutual Fund/AMC. The above segregation of sectors is based on the broad thematic assessment of the businesses covered under the housing theme and its allied businesses. The fund may or may not have any present or future positions in these industries. HDFC Mutual Fund/AMC is not guaranteeing any returns on investments made in the scheme.

# HDFC Housing Opportunities Fund – Series 1

(A Close-Ended Thematic Equity Scheme) – HDFC HOF - I - 1140D November 2017 (I)

## Investment Strategy

The Fund would endeavour to generate capital appreciation by investing in entities belonging to businesses that are engaged in and/or expected to benefit out of the demand for housing in India.



For complete details on investment strategy (including illustrations on derivative strategies) refer SID/KIM available on the website [www.hdfcfund.com](http://www.hdfcfund.com) or with Distributor. \*Indicative Allocation at the time of initial portfolio construction, post closure of NFO. HDFC Mutual Fund/AMC is not guaranteeing returns on investments made in this scheme. The portfolio allocation is subject to change depending on the market conditions in line with theme of the scheme  
\*\* For risks associated with derivatives strategy, please refer to the SID.

## Fund Suitability & Risk Factors

This fund is suitable for investors looking to:

- Participate in the expected growth in Indian housing sector and its allied businesses
- Achieve capital appreciation through investment into equities of entities involved in housing and allied sectors
- The fund is not suitable for risk averse investors

Risk factors:

- Since the Fund is thematic in nature, it will be affected by the risks associated with the housing and its allied sectors. Investing in a thematic fund could involve potentially greater volatility and risk.

## Scheme Features

- **Investment Objective:** To provide long-term capital appreciation by investing predominantly in equity and equity related instruments of entities engaged in and/or expected to benefit from the growth in housing and its allied business activities. There is no assurance that the investment objective of the Scheme will be realized.
- **Fund Manager:** Mr. Srinivas Rao Ravuri
- **Exit Load:** Not applicable. The Units under the Plan cannot be directly redeemed with the Fund as the Units will be listed on the stock exchange(s).
- **Benchmark:** India Housing and Allied Businesses Index<sup>#</sup>
- **Minimum Application Amount/Number of Units:** Purchase: ₹ 5,000 and in multiple of ₹ 10 thereafter

<sup>#</sup>**About the Benchmark:** A custom-made benchmark by IISL (NSE) called India Housing and Allied Businesses Index, a minimum 50 stock index that currently includes 14 basic industries.

For complete details, refer SID/KIM - available on the website [www.hdfcfund.com](http://www.hdfcfund.com) or with your Distributor

SOverseas Fund Manager for the scheme - Mr Rakesh Vyas

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