



STAY RELAXED!

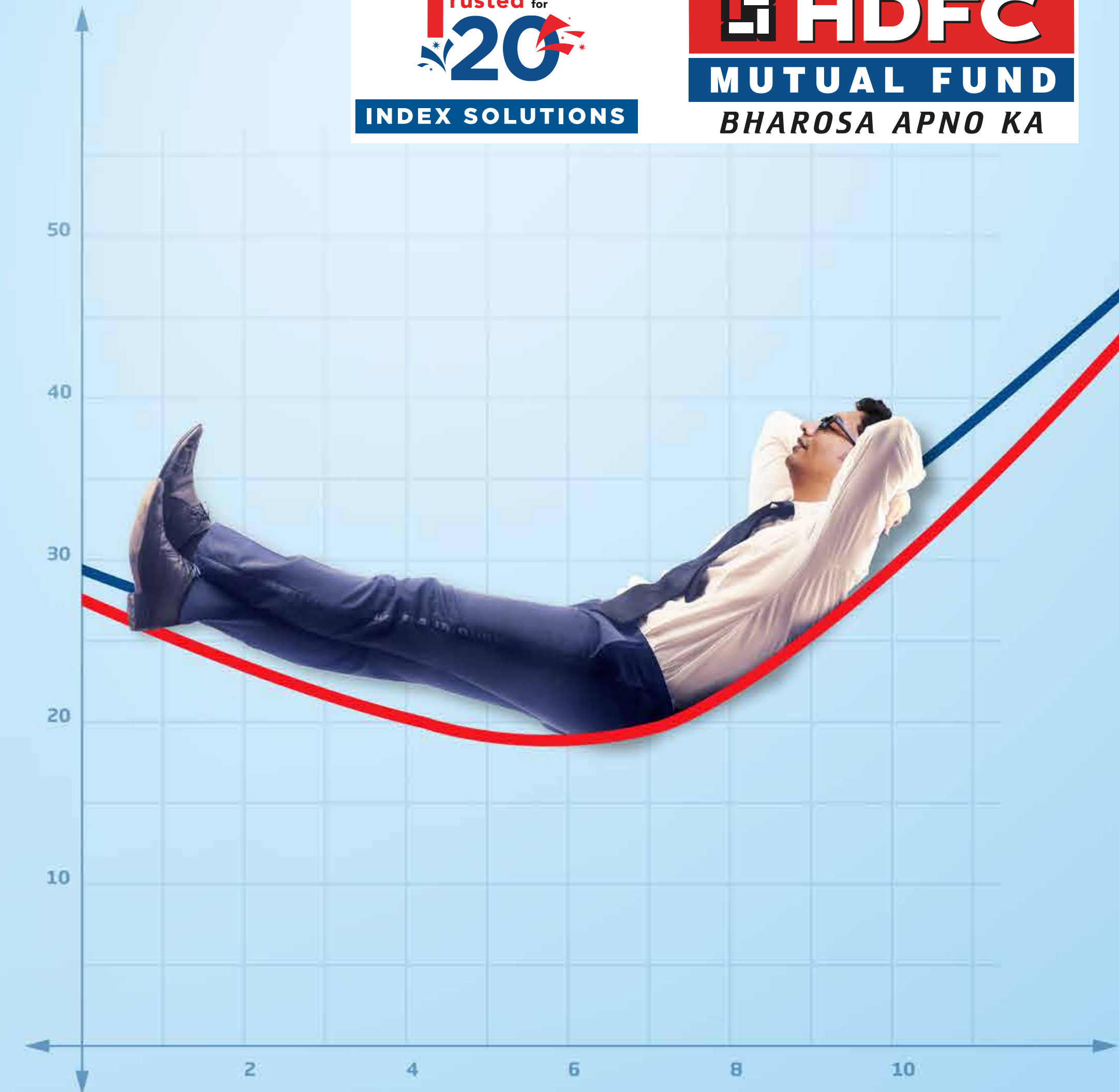
HERE'S A LOW VOLATILITY INVESTMENT SOLUTION FOR YOU.

Presenting

**HDFC NIFTY100
LOW VOLATILITY 30 INDEX FUND**

NFO Starts - 21st June 2024

NFO Ends - 05th July 2024



India: A compelling investment for decades to come



Among the fastest growing economies of the world



Capex recovery led by Government & Private sector



Large unmet needs of infrastructure



Strong reforms momentum



Rich in natural resources



Shift underway in global manufacturing favoring India

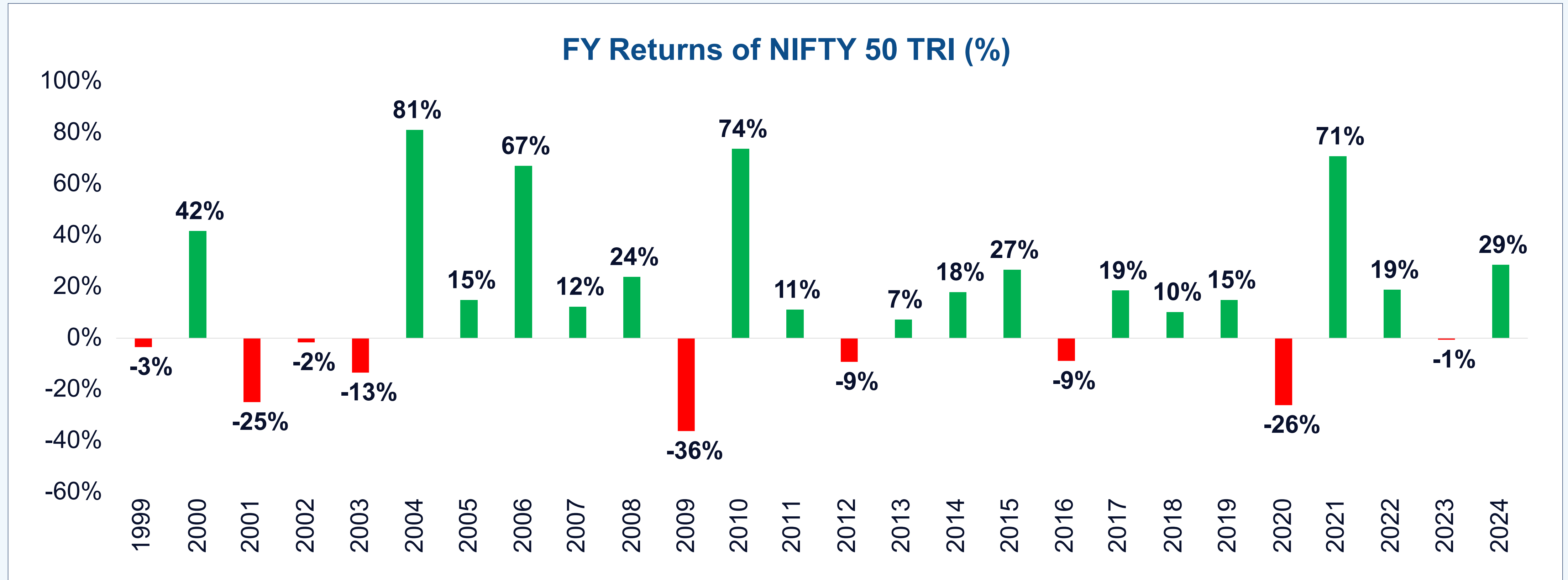


Favourable demographics with large availability of skilled, young, English speaking manpower



Rising income levels and low penetration of consumer goods to support consumption demand

However, volatility is the unchangeable rule in markets



Source: NSE Indices Ltd., internal calculations.

Past performance may or may not be sustained in the future and is not a guarantee of any future returns

While equity markets have rewarded investors over the long term, the journey has been full of ups and downs i.e. volatile

- ✓ Volatility measures the extent of swings in stock prices
- ✓ Stocks which tend to experience small price swings consistently are termed low volatility stocks

High Volatility



Low Volatility



The above is an illustration for educative purposes only. **HDFC AMC is not guaranteeing or forecasting stock selection.**

For detailed methodology, please visit www.niftyindices.com

- ✓ Nobel Laureate Daniel Kahneman popularized the concept of Loss Aversion ie. the cognitive bias in which the pain of losing is psychologically twice as powerful as the pleasure of gaining
- ✓ It refers to an individual's tendency to prefer avoiding losses vs. earning equivalent gains
- ✓ Put simply, we feel more pain losing Rs. 100 than we feel happiness at gaining Rs. 100
- ✓ Loss aversion leads investors to seek less risky investments
- ✓ Risk averse equity investors can consider the NIFTY100 Low Volatility 30 Index, which has historically performed better or in-line with the NIFTY 100 Index during historical periods of market stress. This has helped the Index to generate higher long-term returns than the NIFTY 100 TRI historically
- ✓ The index consists of the 30 least volatile stocks from the largecap NIFTY 100 Index universe



Is there a solution to deal with volatility?

- ✓ While it is not possible to completely remove volatility from equity investing, a solution does exist!
- ✓ **HDFC NIFTY100 Low Volatility 30 Index Fund**, which tracks the NIFTY100 Low Volatility 30 Index, consisting of the 30 least volatile stocks from the largecap NIFTY 100 universe
- ✓ While historically falling less on the downside, the NIFTY100 Low Volatility 30 TRI has performed in line with the NIFTY 100 TRI on average on the upside* (see Slide 10)



*Past performance may or may not be sustained in the future and is not a guarantee of any future returns

For disclaimers refer slide 24

Parameter	NIFTY100 Low Volatility 30 Index
Universe / Parent Index	NIFTY 100
Eligibility criteria for the Index	Stocks with F&O and listing history > 1y are eligible
Score / Stock selection process	1-year Volatility ie. standard deviation of daily price returns (log normal) for last one year
Number of stocks	Top 30 stocks with least volatility
Weights and Capping	Weights based on the inverse of volatility => lower volatility stocks get higher weight Stocks with low turnover are capped at 3%
Portfolio Review	Quarterly (Mar, Jun, Sep and Dec)

Source: NSE Indices Limited. *For detailed methodology, please visit www.niftyindices.com

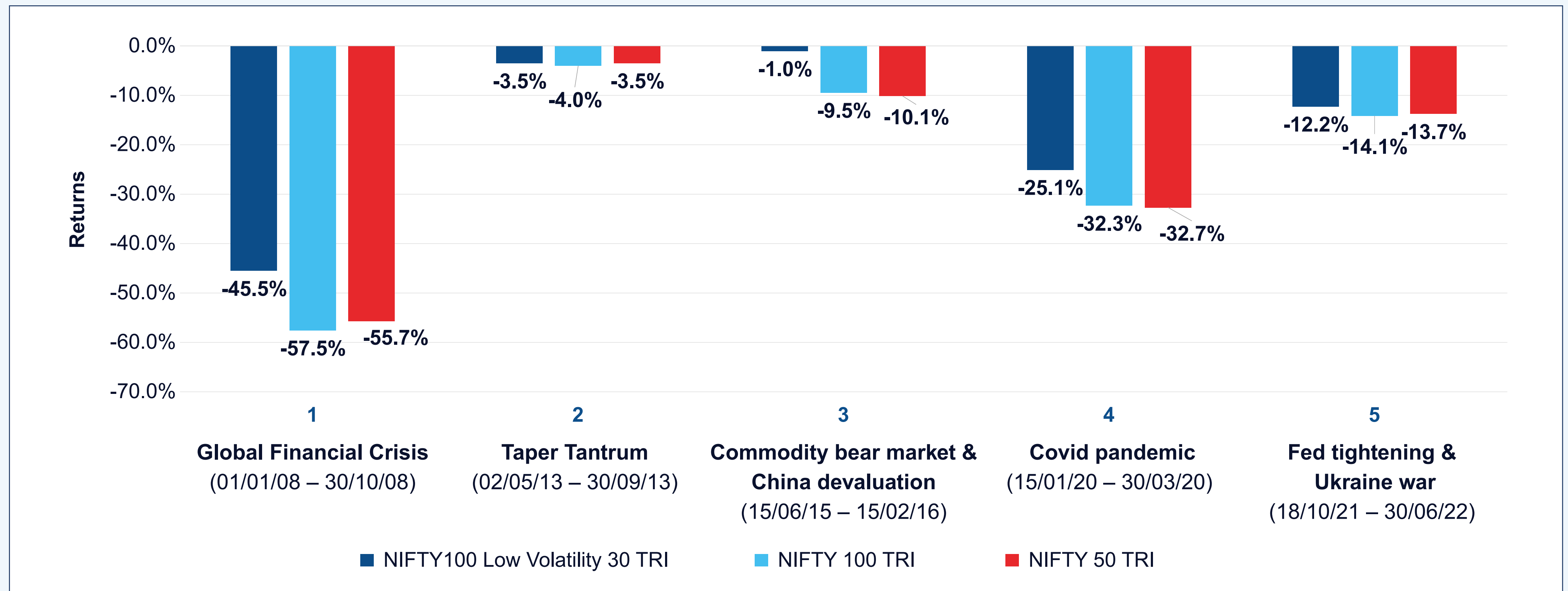
Historical performance during market stress



MUTUAL FUND

BHAROSA APNO KA

NIFTY100 Low Volatility 30 TRI has historically performed better or in-line with the NIFTY 100 and 50 TRI during market stress



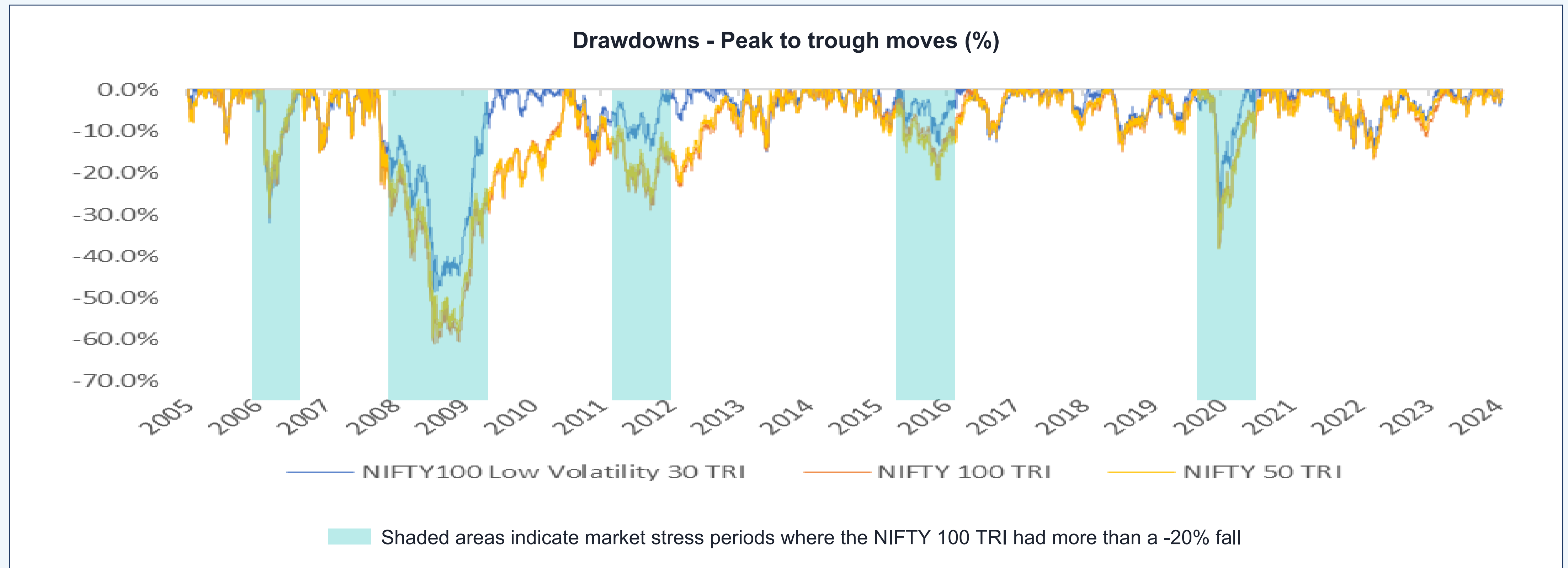
Source: NSE Indices Ltd. Internal calculations. Data as of May 31, 2024. Note the historical examples above are not exhaustive and are for illustration purposes.

Past performance may or may not be sustained in the future and is not a guarantee of any future returns.

For disclaimers refer slide 24

Drawdowns - Peak to trough moves

The NIFTY100 Low Volatility 30 TRI generally had similar or lower drawdowns than the NIFTY 100 and NIFTY 50 TRI



Source: NSE Indices Ltd. Internal calculations. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns.**
HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns

For disclaimers refer slide 24

Capturing upside, while falling less on the downside

	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI
Avg. Performance during NIFTY 100 up years@	31.5%	31.0%
Avg. Performance during NIFTY 100 down years@	-6.3%	-15.6%

While falling less on the downside, the NIFTY100 Low Volatility 30 TRI has historically performed in line with the NIFTY 100 TRI on average during up years@

Source: NSE Indices Ltd. and internal calculations. @Up (down) year is defined as a Financial Year where the NIFTY 100 TRI gave a positive (negative) return. Simple average of FY returns for up and down years is calculated for both indices. Includes FY returns data from FY06-24. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns.**

About the NIFTY100 Low Volatility 30 Index

- ✓ The parent NIFTY 100 Index contains 100 largecaps
- ✓ 30 least volatile stocks are chosen
- ✓ The index is reviewed and rebalanced quarterly in March, June, September and December

Key Index Stats

	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI	NIFTY 50 TRI
Price Earnings Ratio (P/E)	31.16	22.15	21.4
Price Book Ratio (P/B)	6.31	4.12	3.95
Dividend yield	1.19%	1.2%	1.28%

Source: NSE Indices. As of May 31, 2024

£ Sponsor

For detailed methodology, please visit www.niftyindices.com

For disclaimers refer slide 24

Top 10 constituents of NIFTY100 Low Volatility 30 Index

Company Name	Weightage (%)
Hindustan Unilever Ltd.	4.4%
ICICI Bank Ltd.	4.3%
Britannia Industries Ltd.	4.1%
Asian Paints Ltd.	4.0%
ITC Ltd.	3.8%
UltraTech Cement Ltd.	3.7%
Marico Ltd.	3.6%
HDFC Bank Ltd.£	3.6%
Sun Pharmaceutical Industries Ltd.	3.6%
Reliance Industries Ltd.	3.5%
Total of Top 10 constituents	38.7%

Source: NSE Indices, internal calculations. As of May 31, 2024

Comparative Sector Distribution



MUTUAL FUND

BHAROSA APNO KA

Sector	NIFTY100 Low Volatility 30 (%)	NIFTY 100 (%)	Difference vs. NIFTY 100 (%)
Fast Moving Consumer Goods	25.6	8.4	17.2
Healthcare	12.8	3.8	9.0
Consumer Durables	9.7	2.6	7.1
Chemicals	3.0	0.6	2.4
Power	6.2	4.5	1.7
Automobile and Auto Components	3.7	7.6	1.5
Construction Materials	3.3	2.2	1.5
Construction	3.2	3.5	-0.2
Realty	-	0.4	-0.4
Information Technology	8.6	9.6	-1.0
Services	-	1.3	-1.3
Capital Goods	-	2.5	-2.5
Consumer Services	-	2.8	-2.8
Telecommunication	-	2.9	-2.9
Metals & Mining	-	4.1	-4.1
Oil Gas & Consumable Fuels	3.5	11.2	-7.7
Financial Services	14.5	32.1	-17.6

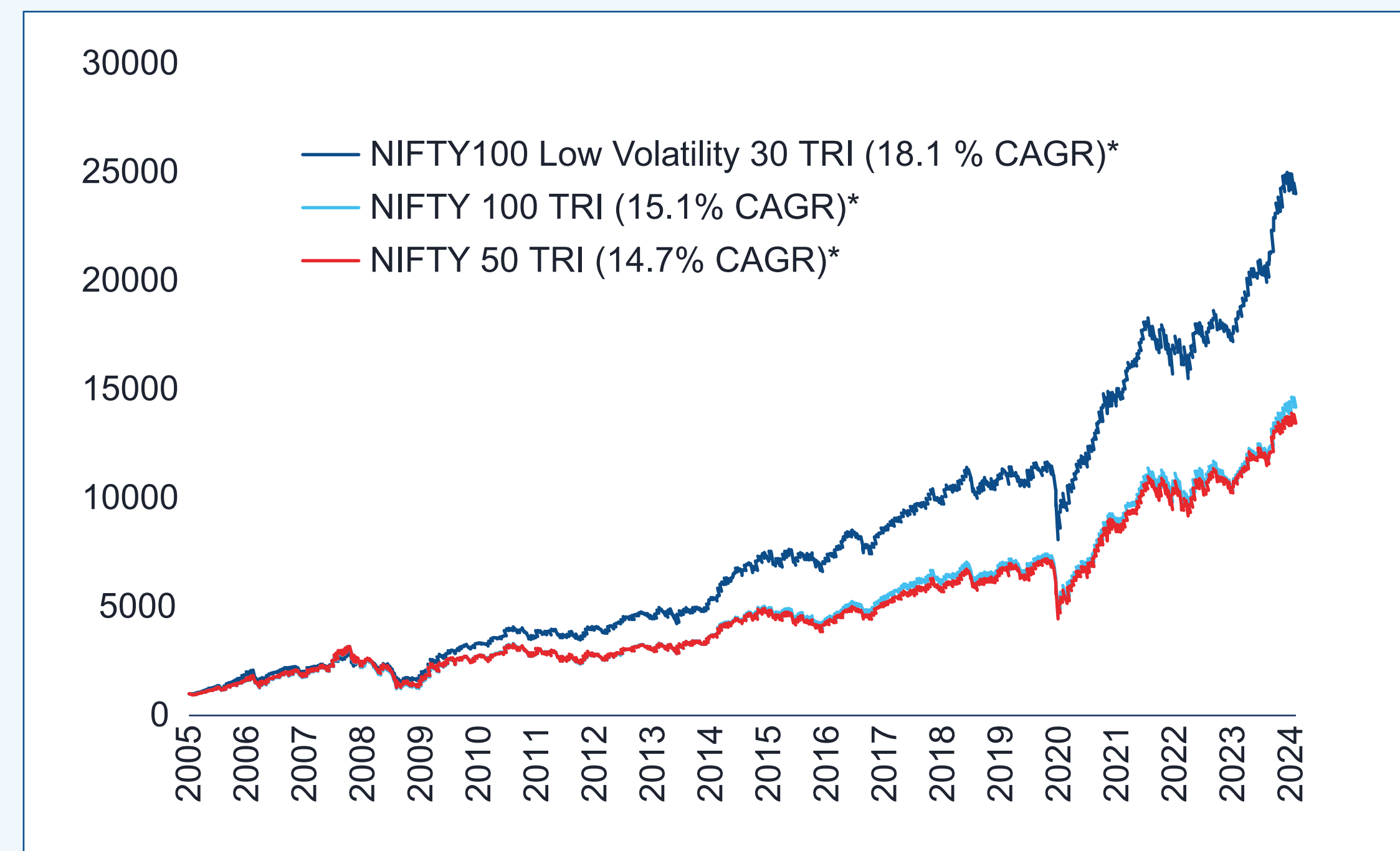
Source: NSE Indices, internal calculations. As of May 31, 2024

NIFTY100 Low Volatility 30 is overweight FMCG, Healthcare and Consumer Durables, underweight Fin. Services and Oil & Gas relative to the NIFTY 100

Low Volatility does not mean low returns

Return Periods	CAGR* as on May 31, 2024		
	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI	NIFTY 50 TRI
1 year	29.4%	29.0%	23.0%
3 year	15.8%	15.5%	14.4%
5 year	16.8%	15.7%	14.9%
7 year	15.4%	14.5%	14.3%
10 year	15.5%	14.0%	13.4%
15 year	16.8%	13.4%	12.8%
Since inception (April 01, 2005)	18.1%	15.1%	14.7%

Heatmap Key



The NIFTY100 Low Volatility 30 TRI has outperformed the NIFTY 100 TRI and NIFTY 50 TRI over the last 1, 3, 5 and 10 years respectively

Source: NSE Indices Ltd. and internal calculations. As on May 31, 2024. Apr 01, 2005 has been chosen as the base date since all 3 indices have values from this date onwards. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns.** *CAGR: Compounded Annual Growth Rate

For disclaimers refer slide 24

FY	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI	NIFTY 50 TRI
FY06	92.1%	65.1%	67.4%
FY07	5.3%	13.5%	14.3%
FY08	16.7%	23.9%	25.1%
FY09	-22.4%	-36.6%	-35.4%
FY10	80.7%	84.9%	75.3%
FY11	16.3%	11.4%	12.4%
FY12	4.9%	-7.8%	-8.2%
FY13	11.1%	8.8%	8.7%
FY14	19.3%	19.9%	19.5%
FY15	34.8%	30.8%	28.2%
FY16	0.4%	-6.9%	-7.8%
FY17	19.1%	22.6%	20.2%
FY18	14.1%	12.2%	11.8%
FY19	12.6%	14.0%	16.4%
FY20	-18.0%	-24.9%	-25.0%
FY21	62.0%	71.2%	72.5%
FY22	15.1%	20.6%	20.3%
FY23	3.8%	-1.6%	0.6%
FY24	41.3%	34.8%	30.1%
FY25YTD	-1.4%	2.9%	1.3%

Heatmap Key

Rank 1

Rank 2

Rank 3

	NIFTY100 Low Volatility 30 TRI
Number of Financial Years*	19
Years of Outperformance over NIFTY 100 TRI	11 (57.9%)
Years of Outperformance over NIFTY 50 TRI	12 (63.2%)

Source: NSE Indices Ltd. and internal calculations. FY is Financial Year FYTD: Financial Year To Date. *Does not include data of FY25FYTD. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns.**

The NIFTY100 Low Volatility 30 TRI has fallen less than the NIFTY100 TRI and NIFTY 50 TRI in each FY they had a negative return

Return Periods	Average Rolling Returns			Std. Deviation of Rolling Returns			Return-Risk Ratio		
	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI	NIFTY 50 TRI	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI	NIFTY 50 TRI	NIFTY100 Low Volatility 30 TRI	NIFTY 100 TRI	NIFTY 50 TRI
1 year	19.0%	16.8%	16.4%	22.6%	24.8%	23.8%	0.84	0.68	0.69
3 year	15.7%	12.6%	12.3%	6.1%	6.9%	6.9%	2.55	1.82	1.79
5 year	15.6%	12.4%	12.0%	4.0%	4.6%	4.5%	3.90	2.70	2.64
10 year	15.7%	12.5%	11.9%	2.3%	2.5%	2.6%	6.95	4.91	4.66

Heatmap Key Rank 1 Rank 2 Rank 3

The NIFTY100 Low Volatility 30 TRI has generated higher average rolling returns over 1, 3, 5 and 10 year horizons compared to the NIFTY 100 and NIFTY 50 TRI

Source: NSE Indices Ltd. and internal calculations. Based on daily rolling returns of NIFTY100 Low Volatility 30 TRI, NIFTY 100 TRI and NIFTY 50 TRI. Return Period: Apr 1, 2005 to May 31, 2024 for the abovementioned indices, since all 3 indices have values from Apr 1, 2005 onwards. Return Risk Ratio = Average Rolling Returns/Std. Deviation of Rolling Returns. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns. HDFC AMC/Mutual Fund is not guaranteeing or promising or forecasting any returns.**

For disclaimers refer slide 24

Presenting

HD

FC NIFTY100 LOW VOLATILITY 30 INDEX FUND

An Open-ended scheme replicating/tracking
the NIFTY100 Low Volatility 30 Index (TRI)



Why invest in HDFC NIFTY100 Low Volatility 30 Index Fund?

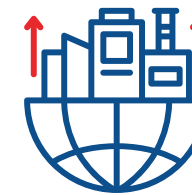
Outperformance during market stress

The NIFTY100 Low Volatility 30 Index has historically performed better or in-line with the NIFTY 100 Index during periods of market stress



Low Volatility does not mean low returns

Endeavors to provide better risk-adjusted returns than market cap weighted indices. Parent index NIFTY 100 consists of largecaps



Largecap Universe

Current valuation premium of largecaps is reasonable compared to midcap and smallcap universe

Lower Cost

Ideal vehicle for long-term investment due to lower expense ratios





Trusted for 20 in Index Solutions

HDFC AMC has been a trusted fund manager in Index Solutions for 20+ years



Wide Product Range

19 ETFs, 19 Index Funds & 3 FoFs including:

- ✓ Market-cap based – 7 ETFs and 7 Index Funds
- ✓ Sector based – 4 ETFs, 1 Index Fund
- ✓ Smart Beta based – 5 ETFs and 3 Index Funds
- ✓ Commodities – 2 ETFs and 2 Fund of Funds
- ✓ Debt – 8 Index Funds, 1 ETF
- ✓ International – 1 Fund of Fund



One of the largest funds across several categories:

- ✓ Market-cap based Index Funds
- ✓ Commodity ETFs with over 12+ years of history
- ✓ Smallcap ETF category

HDFC NIFTY100 Low Volatility 30 Index Fund	
Type of Scheme	An open ended scheme replicating/tracking NIFTY100 Low Volatility 30 Index (TRI)
Investment Objective	To generate returns that are commensurate (before fees and expenses) with the performance of the NIFTY100 Low Volatility 30 TRI (Underlying Index), subject to tracking error. There is no assurance that the investment objective of the Scheme will be realized.
Fund Manager	Mr. Nirman Morakhia and Mr. Arun Agarwal
Benchmark Index	NIFTY100 Low Volatility 30 Total Returns Index (TRI)
Entry / Exit Load	Nil
Min. Investment Amount	During NFO Period and continuous offer period (after scheme re-opens for repurchase and sale): Purchase and additional purchase: Rs. 100 and any amount thereafter Note: Allotment of units will be done after deduction of applicable stamp duty and transaction charges, if any.

Under normal circumstances, the asset allocation (% of Net Assets) of the Scheme’s portfolio will be as follows:

Types of Instruments	Minimum Allocation (% of Total Assets)	Maximum Allocation (% of Total Assets)	Risk Profile
Securities covered by NIFTY100 Low Volatility 30 Index	95	100	Very High
Debt Securities & Money Market Instruments, units of Debt Schemes of Mutual Funds@	0	5	Low to Medium

@ investments will be made Cash or cash equivalents i.e. Government Securities, T-Bills and Repo on Government Securities, units of Liquid and Overnight Mutual Fund Schemes for liquidity purposes.

For disclaimers refer slide 24

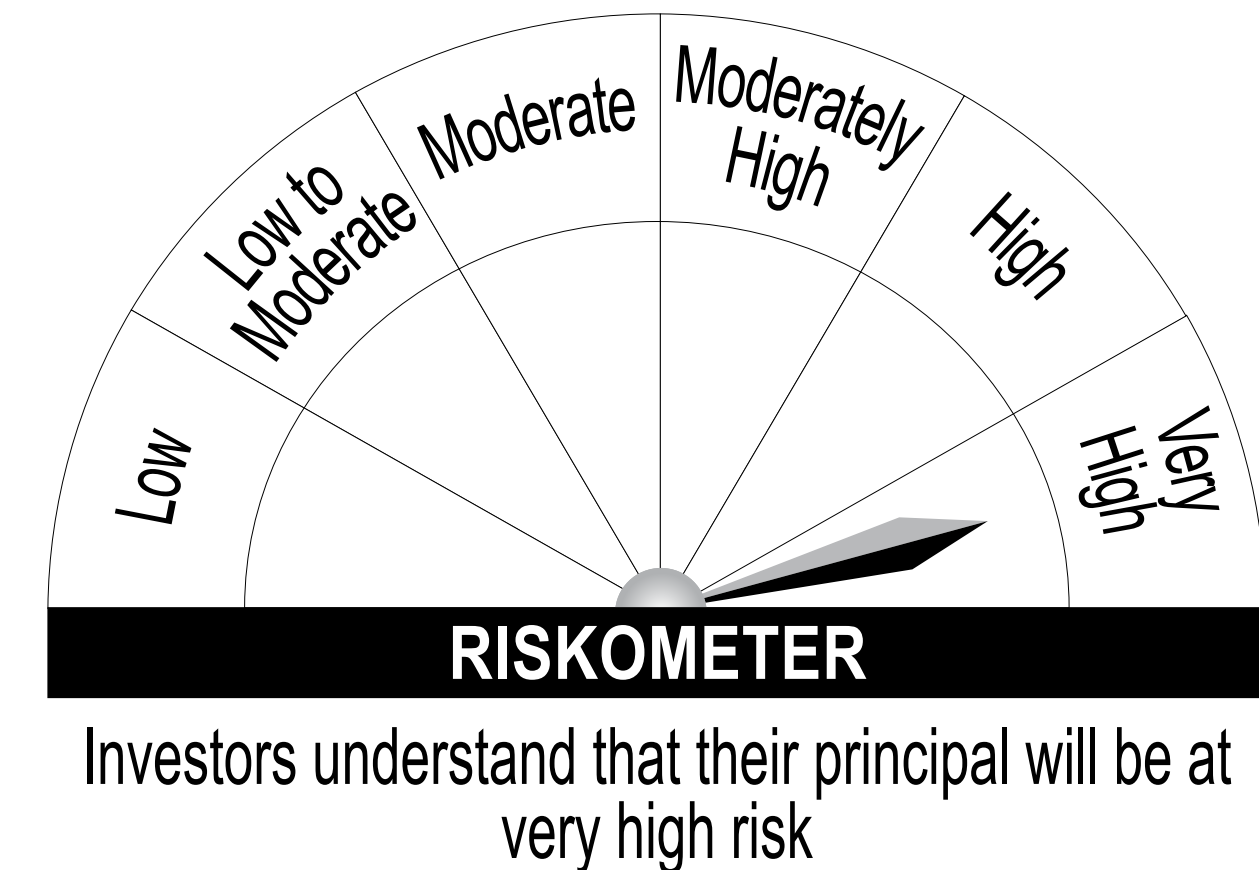
This product is suitable for investors who are seeking*:

- Returns that are commensurate (before fees and expenses) with the performance of the NIFTY100 Low Volatility 30 Index (TRI) over long term, subject to tracking error.
- Investment in equity securities covered by the NIFTY100 Low Volatility 30 Index

*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them. #The product labeling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com.

Riskometer#





Endeavors to provide better risk-adjusted returns than market cap weighted indices



Rules based & transparent

Stock selection and weightage determined by index methodology



Backed by extensive empirical research by academic researchers and index providers[^]



Popular globally



*Source: ETFGI.com. Data as of Feb 2024 #Source: ETFGI.com. Data as of Jan 2018. Refers to Smart Beta Equity ETF/ETPs (ETPs = Exchange Traded Products).

[^] Notable research papers include: Hsu, Jason C. and Li, Feifei. Low-Volatility Investing; Journal of Index Investing, vol. 4, no. 2, Fall 2013 - [link](#)

Simplified Illustration: Choosing Low Volatility Stocks

Stock No.	Std. Deviation of Daily Returns (1 year)	Selection	Stock Weight*
1	11.5%	Yes	5.13%
2	12.0%	Yes	4.92%
⋮	⋮	⋮	⋮
30	26.0%	Yes	2.27%
31	27.3%	No	N/A
⋮	⋮	⋮	⋮
100	38.2%	No	N/A

* Stocks weights are calculated as $(1/\text{Std. Deviation}_{\text{stock}}) / \sum (1/\text{Std. Deviation}_{\text{Portfolio stocks}})$. The above is an illustration for educative purposes only.

HDFC AMC is not guaranteeing or forecasting stock selection. For detailed methodology, please visit www.niftyindices.com

The views expressed herein are as of June 15, 2024 and are based on internal data, publicly available information and other sources believed to be reliable. Any calculations made are approximations, meant as guidelines only, which you must confirm before relying on them. The information contained in this document is for general purposes only and not an investment advice. The document is given in summary form and does not purport to be complete. The document does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. The information/ data herein alone are not sufficient and should not be used for the development or implementation of an investment strategy. The statements contained herein are based on our current views and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Stocks/Sectors referred are illustrative and should not be construed as an investment advice or a research report or a recommendation by HDFC Mutual Fund ("the Fund") / HDFC AMC to buy or sell the stock or any other security covered under the respective sector/s. The Fund may or may not have any present or future positions in these sectors. Past performance may or may not be sustained in future and is not a guarantee of any future returns. HDFC AMC / HDFC Mutual Fund is not guaranteeing / offering / communicating any indicative yield on investments made in the scheme(s). Neither HDFC AMC and HDFC Mutual Fund (the Fund) nor any person connected with them, accepts any liability arising from the use of this document. The recipient(s) before acting on any information herein should make his/her/their own investigation and seek appropriate professional advice and shall alone be fully responsible / liable for any decision taken on the basis of information contained herein. It may be noted that NIFTY100 Low Volatility 30 Index have been constructed and managed by NSE Indices Limited (formerly known as India Index Services & Products Limited – IISL), a subsidiary of National Stock Exchange of India Limited (NSE). The Schemes will be managed passively to replicate the performance of the Underlying Index.

NIFTY Disclaimer: HDFC NIFTY100 Low Volatility 30 Index Fund "(the Product)" offered by HDFC Asset Management Company Limited is not sponsored, endorsed, sold or promoted by NSE INDICES LIMITED (formerly known as India Index Services & Products Limited (IISL)). NSE INDICES LIMITED does not make any representation or warranty, express or implied (including warranties of merchantability or fitness for particular purpose or use) and disclaims all liability to the owners of the Products or any member of the public regarding the advisability of investing in securities generally or in the Product linked to NIFTY100 Low Volatility 30 Index or particularly in the ability of the NIFTY100 Low Volatility 30 Index to track general stock market performance in India. Please read the full Disclaimers in relation to NIFTY100 Low Volatility 30 Index in the SID of the Product.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

Thank You