

Let those in form, form your portfolio



AXIS MOMENTUM FUND

NFO PERIOD: 22nd Nov to 6th Dec 2024

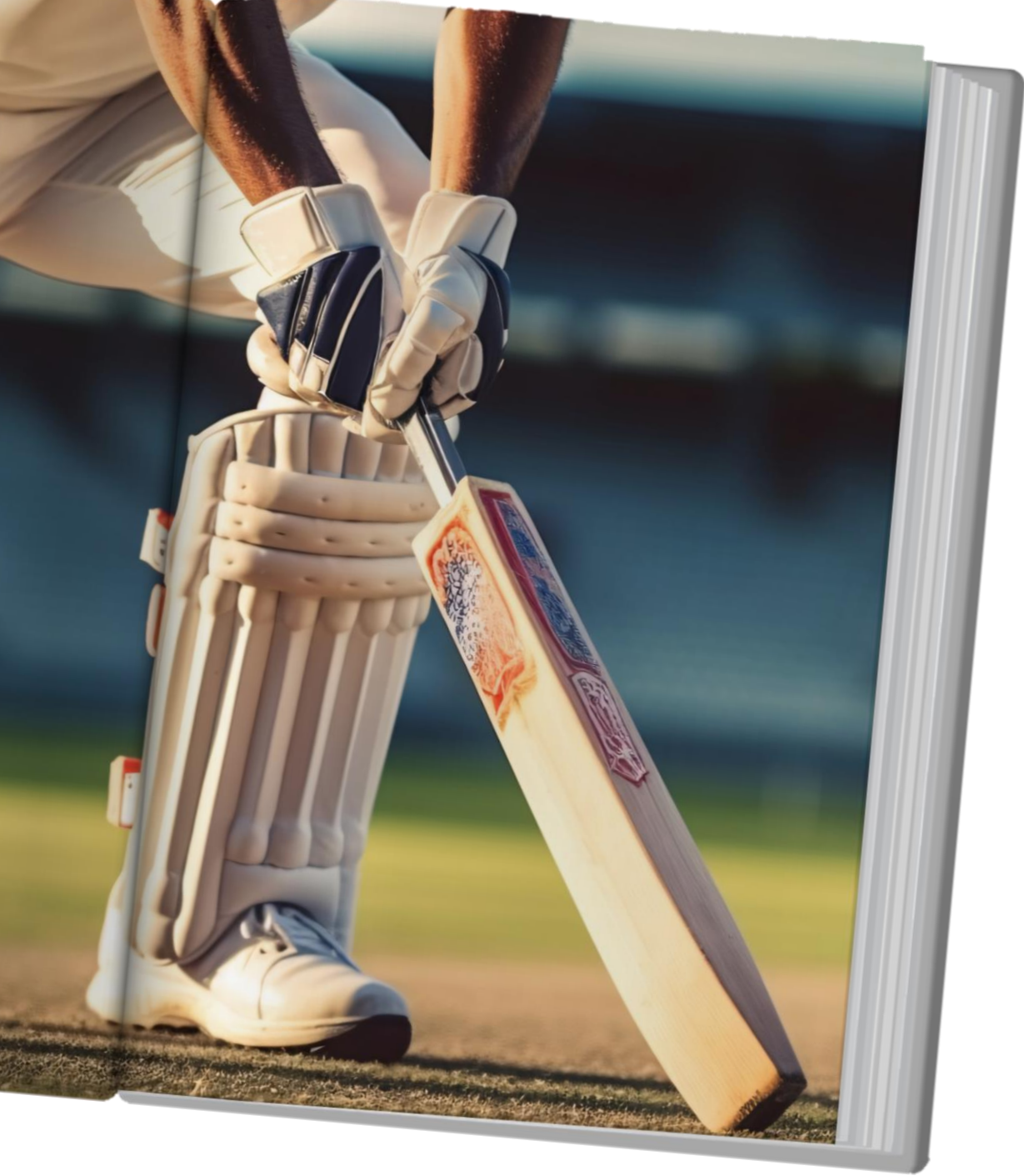
For Riskometer and Product Label, refer to page no.21

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



AXIS MUTUAL FUND |

15
YEARS AS YOUR
INVESTMENT
PARTNER



What is Momentum?

Momentum is all about keeping a winning streak going just like that of a cricket batsman in great form



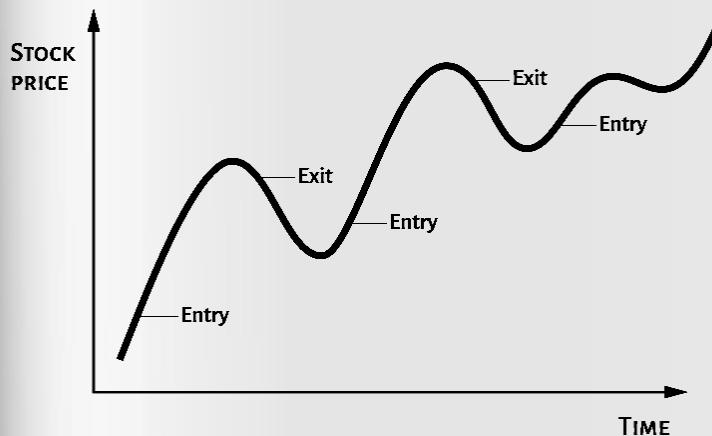
Remember this?



Newton's 1st Law

An object at rest stays at rest, and an object in motion stays in motion unless acted upon by an external force.

Understanding Momentum investing



Buy High, Sell Higher

For illustration purpose only

Recent winners in stock markets will continue to remain winners in the near term, and similarly losers will remain losers.

Momentum factor investing refers to taking advantage of this market behaviour to generate better returns than markets.

It is essentially based on owning securities that have shown favourable price trends.

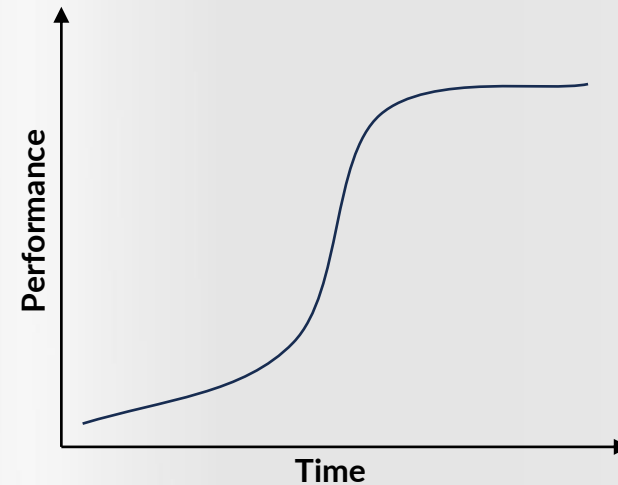
Why Momentum strategy works?

A strategy that persists across asset classes and geographies

Investor behaviour at the center

- Overreact / Underreact to important information
- Investors react properly to news that confirms to their belief and underreact to news that disconfirms their belief

Momentum Adoption Effect



The curve shows how investment adoption often starts slow but rises quickly in a short time.

Key characteristics of Momentum strategy



Focuses on Trends

A momentum strategy targets top performing stocks, much like a cricket team selecting its best players based on pitch and weather conditions.

Adaptability

This strategy evolves with market trends by changing the style, sectors and stocks in the portfolio, much like a cricket team adjusts its tactics based on match conditions.

Highlights of Momentum investing



Momentum adapts to different styles



Momentum strategy has generated better risk adjusted return



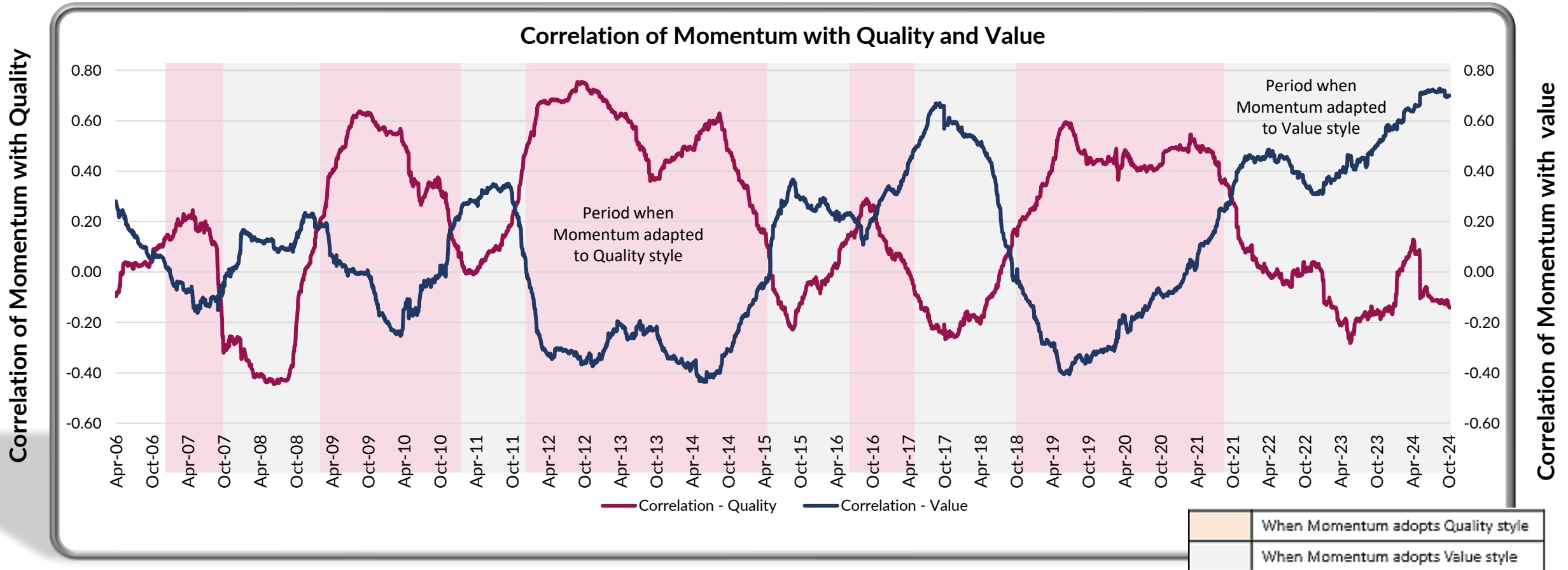
Momentum adapts to different market caps



Momentum need not significantly underperform in negative market phases

Momentum adapts to different styles

Momentum picks up different factor styles depending on the phase of the cycle



Source: MFI, Data from April 2006 to October 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. Factors Indices > Momentum = Nifty200 Momentum 30 TR Index, Quality = Nifty200 Quality 30 TR Index and Value = Nifty200 Value 30 TR Index

Momentum adapts to different market caps

Momentum picks up different market cap depending on the phase of the cycle

| Market cap | Jun-20 | Dec-20 | Jun-21 | Dec-21 | Jun-22 | Dec-22 | Jun-23 | Dec-23 | Jun-24 |
|---------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Large cap (%) | 54.9 | 70.6 | 34.6 | 39.9 | 51.3 | 29.8 | 26.8 | 27.3 | 56.4 |
| Mid cap (%) | 33.7 | 18.6 | 33.8 | 40.0 | 28.1 | 45.5 | 45.6 | 36.7 | 29.7 |
| Small Cap (%) | 11.5 | 10.7 | 31.7 | 20.2 | 20.6 | 24.7 | 27.6 | 36.0 | 13.9 |

Source: NSE Indices, Data from Jun 2020 to Jun-2024; Past performance may or may not be sustained in the future. Total may not sum up to 100, due to rounding off effect. 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. Momentum = Nifty500 Momentum 50 TR Index

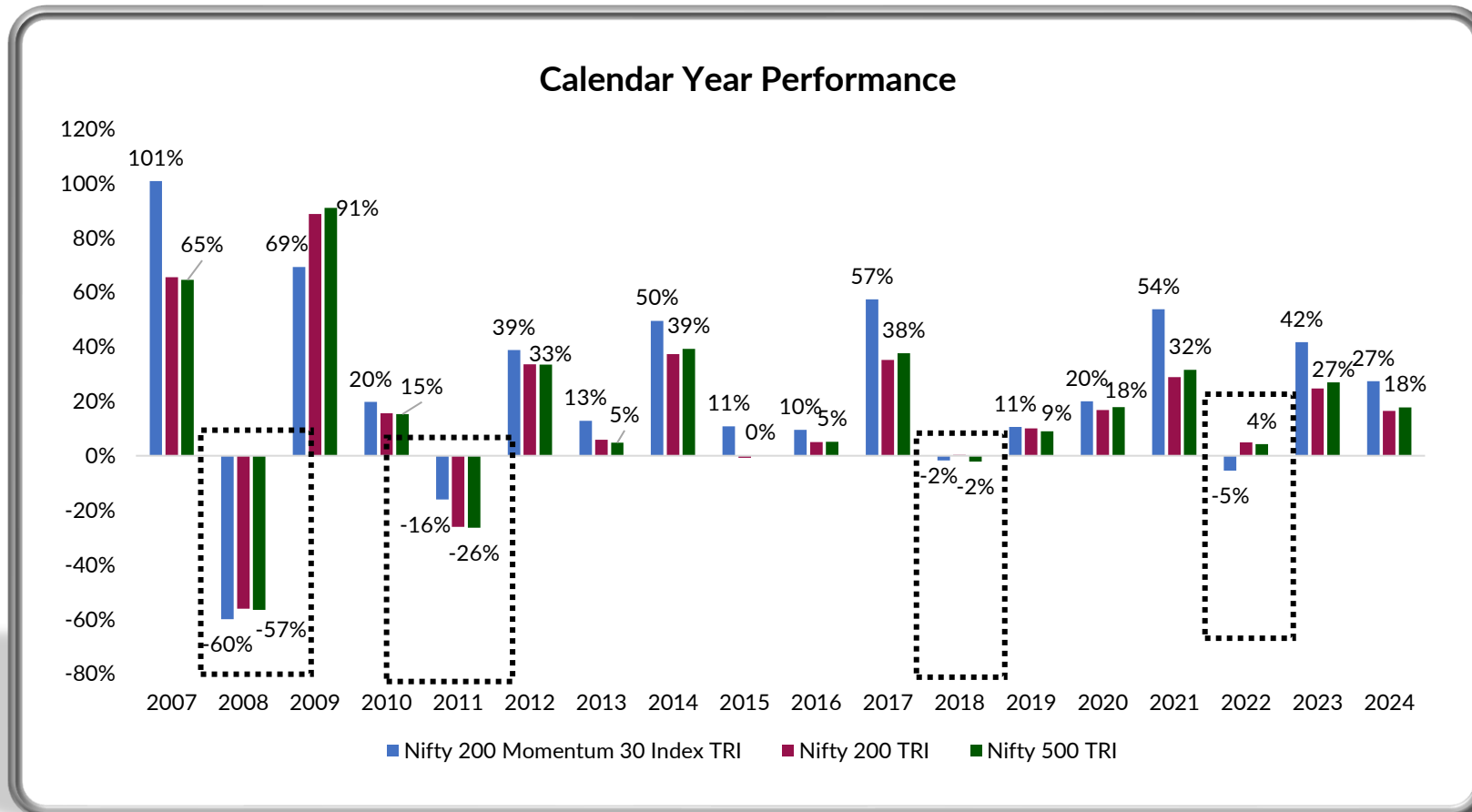
Momentum strategy has generated better risk adjusted return

Nifty200 Momentum 30 TRI has delivered better risk adjusted return than broader indices over longer time horizon

| | Nifty200 Momentum 30 TRI | Nifty 200 TRI | Nifty 500 TRI | Nifty200 Momentum 30 TRI | Nifty 200 TRI | Nifty 500 TRI | Nifty200 Momentum 30 TRI | Nifty 200 TRI | Nifty 500 TRI |
|------------|--------------------------|---------------|---------------|--------------------------|---------------|---------------|--------------------------|---------------|---------------|
| | 1Y | | | 3Y | | | 5Y | | |
| Return | 56.0% | 34.9% | 36.3% | 31.4% | 23.9% | 25.3% | 21.4% | 15.2% | 15.7% |
| Volatility | 16.6% | 13.3% | 13.2% | 18.0% | 13.7% | 13.7% | 19.2% | 18.8% | 18.9% |
| Sharpe | 3.0 | 2.1 | 2.3 | 1.37 | 1.26 | 1.36 | 0.77 | 0.46 | 0.48 |

Source: MFI Data as of October-2024; **Past performance may or may not be sustained in the future.** Risk free rate taken as Mibor rate at 6.61%. 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.

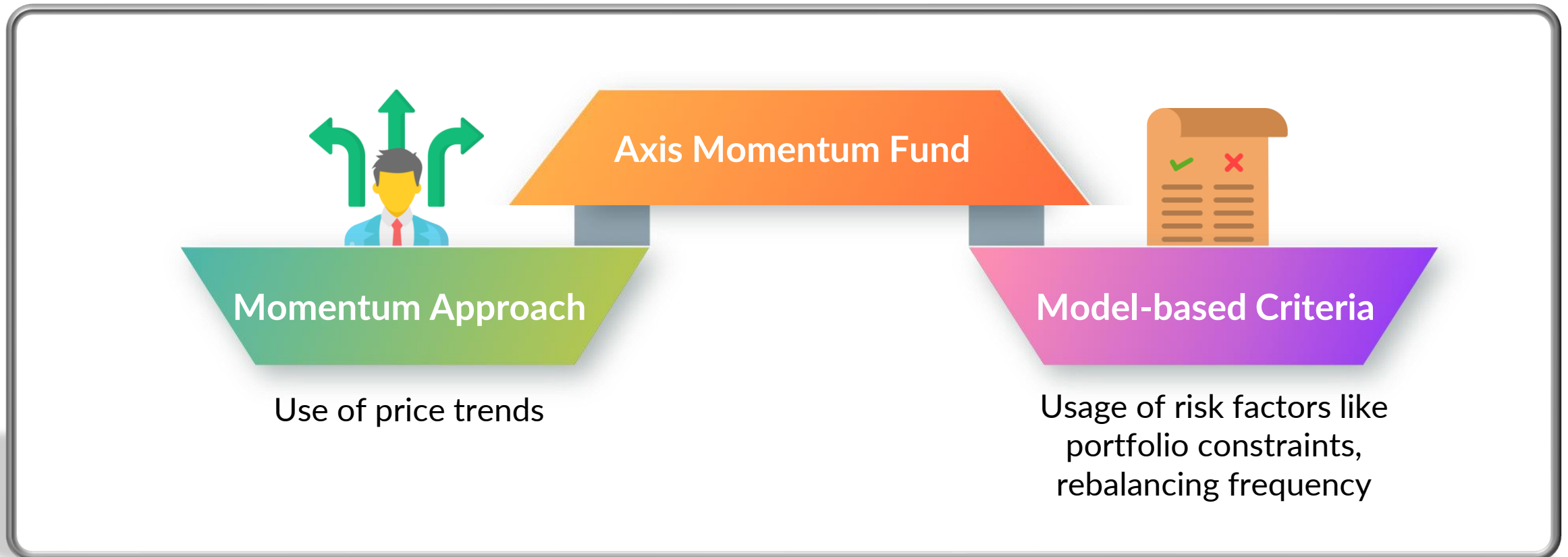
Momentum need not significantly underperform in negative market phases



of times Momentum Strategy has **outperformed NIFTY 500** in last 18 calendar years.

Source: MFI, Data from Dec-2006 to October-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.

Introducing Axis Momentum Fund

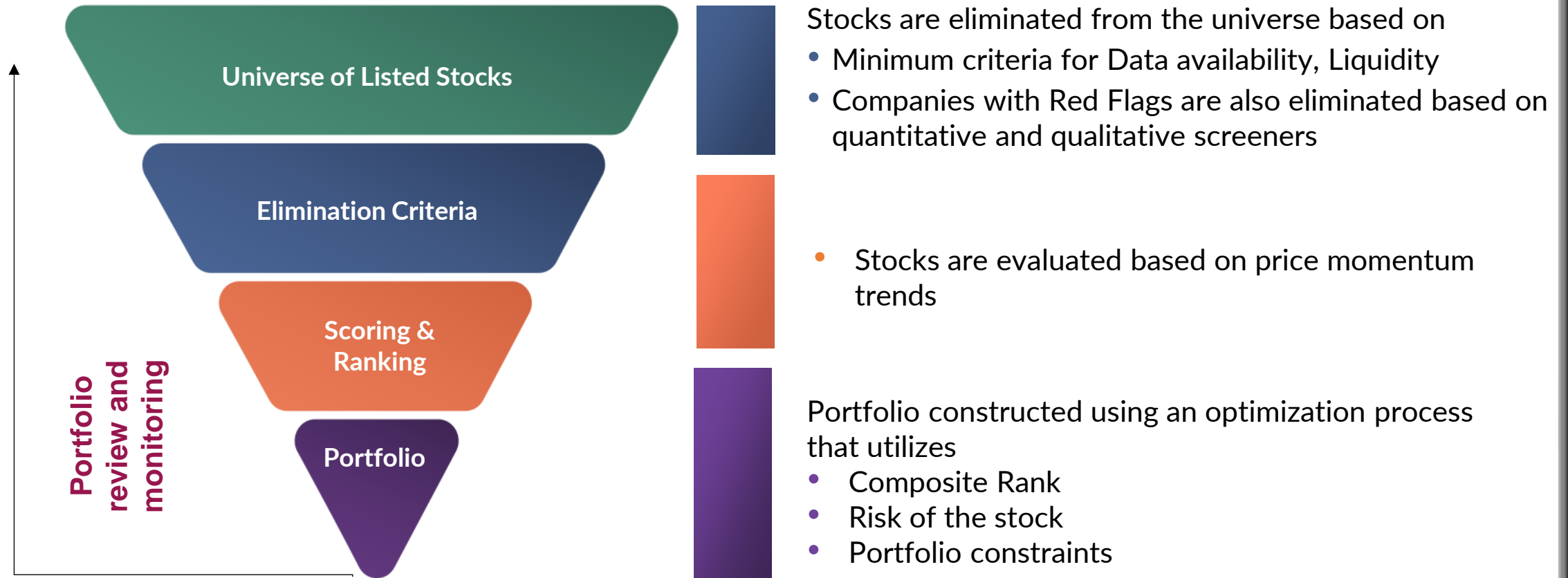


The parameters given above are for explaining quantitative model proposed to be used by the Scheme. The fund manager at his discretion may modify parameters to be used in quantitative model. Investors are requested to refer to detailed asset allocation and investment strategy given in Scheme Information Document for complete details.

Model based approach for a strong framework

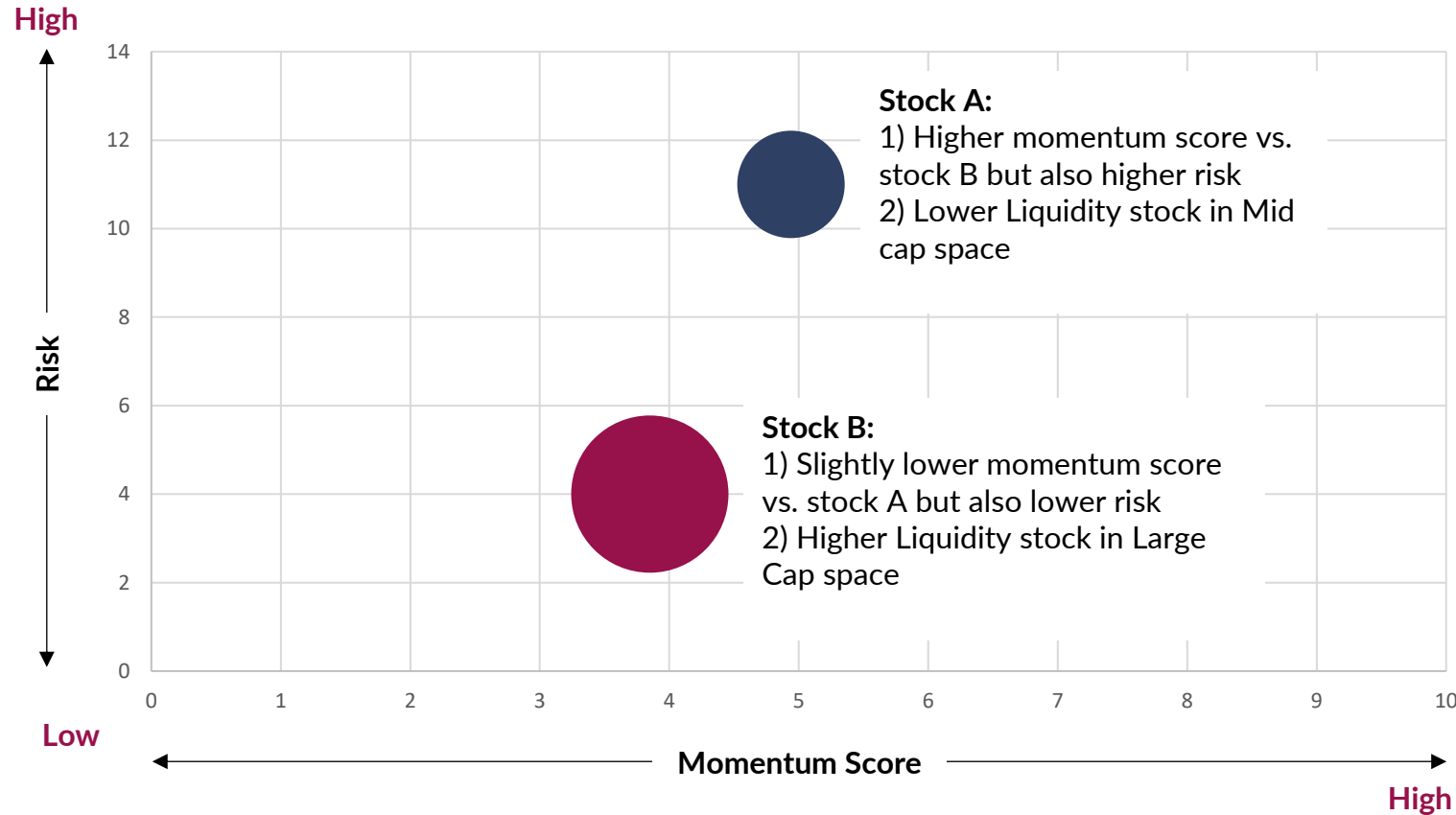


Portfolio construction approach



For detailed asset allocation and investment strategy, please refer Scheme Information Document of the Scheme.

Efficient risk management



Stock A

- Has higher risk and higher score

Stock B

- Has lower risk and slightly lower score
- Hence, may have higher portfolio exposure

The risk of the stock is a function of its volatility. Size of the circle represents the expected exposure of the stock. The parameters given above are for explaining quantitative model proposed to be used by the Scheme. 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

Model performance: Historic record



The model has managed to beat the benchmark

12 times

in the last 15 years with a cumulative outperformance of

6.62%

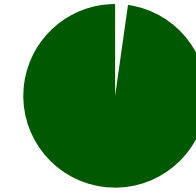
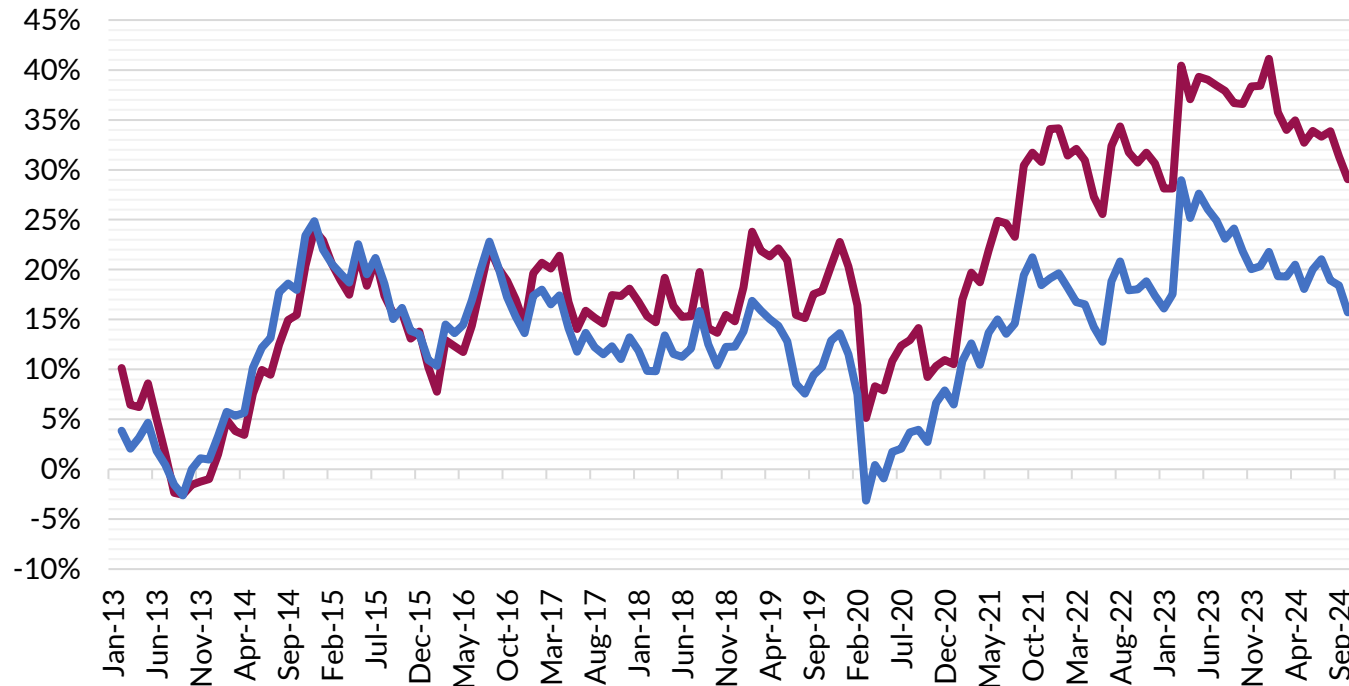
| Period | Model | Nifty 500 TRI | Outperformance |
|-------------------------------|---------------|---------------|----------------|
| 2010 | 35.43% | 20.02% | 15.41% |
| 2011 | -22.38% | -26.39% | 4.01% |
| 2012 | 34.67% | 33.49% | 1.18% |
| 2013 | -7.12% | 4.82% | -11.93% |
| 2014 | 52.50% | 39.30% | 13.20% |
| 2015 | 4.01% | 0.23% | 3.78% |
| 2016 | -5.40% | 5.14% | -10.54% |
| 2017 | 67.23% | 37.65% | 29.58% |
| 2018 | -4.28% | -2.13% | -2.15% |
| 2019 | 15.65% | 8.96% | 6.69% |
| 2020 | 23.46% | 17.89% | 5.57% |
| 2021 | 68.96% | 31.61% | 37.36% |
| 2022 | 6.81% | 4.21% | 2.60% |
| 2023 | 46.69% | 26.93% | 19.76% |
| 2024 | 24.61% | 17.81% | 6.80% |
| Cumulative Performance | 20.06% | 13.44% | 6.62% |

Source: MFI, Axis AMC Research. **Past performance may or may not sustain in future.** All information contained in this slide is for illustration purpose only to show how momentum model functions. The model performance is derived based on back tested result and does not include expenses incurred by the fund. The back tested result does not in any way indicate the performance of the Scheme. The actual model and the Scheme portfolio shall be constructed based on the provisions in the Scheme Information Document. Data is from Jan 2010 to Oct 2024.

Model performance: Rolling return

3 Years Rolling Return

— Model — NIFTY 500 TRI



On a 3-year rolling return, the model has delivered **96% times positive return**



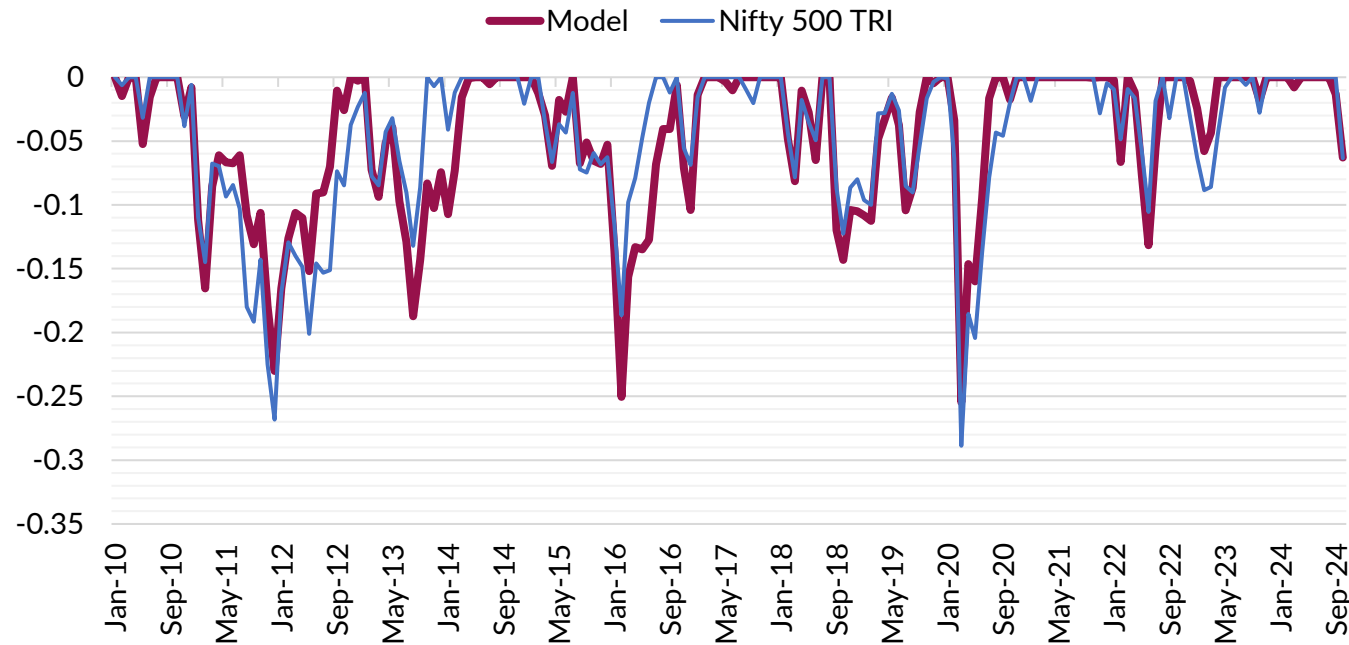
In the past 11 years, the model has **outperformed the benchmark on 76.8% instances**

| | Model | Nifty 500 TRI |
|---------|--------|---------------|
| Min | -2.55% | -3.14% |
| Max | 41.11% | 28.96% |
| Average | 19.61% | 13.74% |
| Median | 18.15% | 14.20% |

Source: MFI, Axis AMC Research. **Past performance may or may not sustain in future.** All information contained in this slide is for illustration purpose only to show how momentum model functions. The model performance is derived based on back tested result and does not include expenses incurred by the fund. The back tested result does not in any way indicate the performance of the Scheme. The actual model and the Scheme portfolio shall be constructed based on the provisions in the Scheme Information Document. Data is from Jan 2010 to Oct 2024.

Model performance: Lower max drawdown

Drawdown of Model vs Nifty 500 TRI




-25%
Max.

Model's maximum drawdown is -25%, whereas the benchmark's maximum drawdown is -29%.

Why Axis Momentum Fund?

1

Unlock the potential for higher returns

Benefit from agile re-adjustments and rebalancing to capture new opportunities

2

3

Controls exposure to sector/stock concentration, market cap skewness, and liquidity risk.

4

Complements other strategies, enhancing your portfolio's overall potential.

Ensures the portfolio remains responsive to market changes, potentially leading to better performance and risk management.

Fund Facts

AXIS MOMENTUM FUND

(An open-ended equity scheme following the momentum theme)



NFO Dates:
Nov 22, 2024
to
Dec 06, 2024



Minimum application:

₹100 & in multiples of ₹1 thereafter (during NFO and on a continuous basis)

Benchmark:
NIFTY
500 TRI



Asset Allocation:



80% to 100%

Equity & Equity related instruments of companies selected based on momentum theme

0% to 20%

Other Equity & Equity related instruments

0% to 20%

Debt & Money Market Instruments

0% to 10%

Units issued by REITs & InvITs



Investment Objective:

- To generate long term capital appreciation for investors from a portfolio of equity and equity related securities selected based on the momentum theme.
- There is no assurance that the investment objective of the scheme will be achieved.

Fund Managers:
Karthik Kumar &
Mayank Hyanki



Exit Load:

If redeemed / switched - out within 12 months - For 10% of investment: Nil, For remaining investments: 1%

If redeemed/switched out after 12 months from the date of allotment: Nil . For complete details refer to the SID of the scheme available on our website

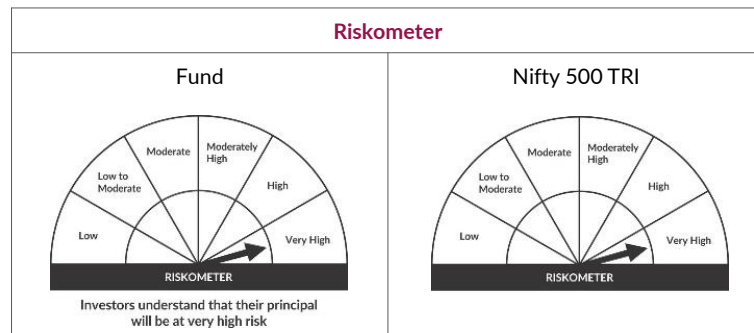
Product Labelling:
Axis Momentum Fund

(An open-ended equity scheme following the momentum theme)

Benchmark: NIFTY 500 TRI

This product is suitable for investors who are seeking*:

- Capital appreciation over long term
- An equity scheme investing in equity & equity related securities selected based on the momentum theme.



*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.

Statutory Details and Risk Factors

Data updated As on 31st October 2024

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.

Karthik Kumar is Managing Axis Arbitrage Fund, Axis Quant Fund since 3rd Jul, 2023, Axis Nifty 100 Index Fund, Axis NIFTY 50 ETF, Axis NIFTY Bank ETF, Axis NIFTY IT ETF, Axis NIFTY Healthcare ETF, Axis NIFTY India Consumption ETF, Axis Nifty 50 Index Fund, Axis Nifty Next 50 Index Fund, Axis Equity ETFs FoF, Axis Nifty Smallcap 50 Index Fund, Axis Nifty Midcap 50 Index Fund and Axis BSE SENSEX ETF since 3rd Aug, 2023, Axis BSE Sensex Index Fund since 27th Feb, 2024, Axis Nifty IT Index Fund since 5th Apr, 2024, Axis Nifty Bank Index Fund since 24th May, 2024 and Axis Nifty 500 Index Fund since 16th Jul, 2024.

Mayank Hyanki is Managing Axis Small Cap Fund since 3rd Aug, 2023 and Axis Equity Savings Fund, Axis Innovation Fund, Axis Nifty Smallcap 50 Index Fund, Axis Nifty Midcap 50 Index Fund and Axis Business Cycles Fund since 5th Apr, 2024.

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 ₹1 Lakh). **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.

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

Performance Disclaimer and Risk factors

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

The data/statistics / information given are to explain various concepts and general market trends in the securities market. The information on sector(s)/stock(s)/issuer(s) mentioned in this presentation is provided on the basis of publicly available information illustration purpose only and should not be construed as any investment advice / research report / recommendation to buy / sell / hold securities by Axis AMC / Axis Mutual Fund. The Fund manager may or may not choose to have any present / future position in these sector(s)/stock(s)/issuer(s).

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Thank you