



*Haq, ek behtar zindagi ka.*

Alpha

**One fund. Two game plans.**

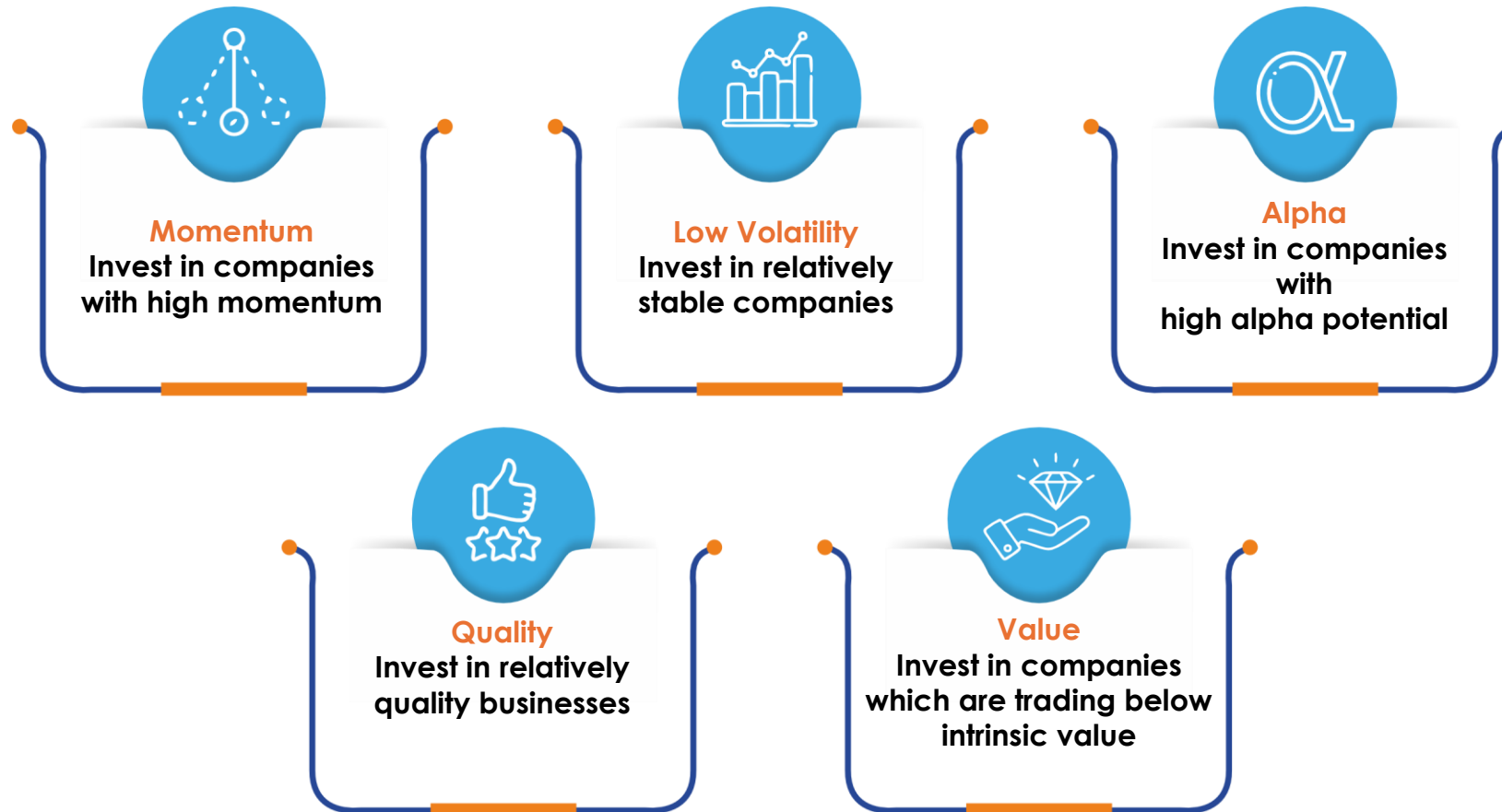
**UTI Nifty Alpha Low-Volatility 30 Index Fund**

Low-Volatility

**NFO Opens November 11, 2024 | NFO Closes November 25, 2024**

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

An investment strategy that involves selection of stocks based on a certain set of factors or attributes to improve portfolio outcomes, reduce volatility and enhance diversification.



# FY : Performance of Factors – Last 10 Years

	Nifty 100 TRI	Nifty 200 Momentum 30 Index TRI	NIFTY 100 Alpha 30 TRI	Nifty 100 Low Volatility 30 TRI	Nifty 200 Quality 30 Index TRI	Nifty200 Value 30 TRI
» FY 2024	35%	70%	72%	41%	35%	88%
» FY 2023	-2%	-9%	-21%	4%	-1%	15%
» FY 2022	21%	38%	40%	15%	18%	34%
» FY 2021	71%	62%	53%	62%	57%	97%
» FY 2020	-25%	-16%	-12%	-18%	-15%	-46%
» FY 2019	14%	12%	13%	13%	12%	-5%
» FY 2018	12%	22%	15%	14%	18%	2%
» FY 2017	23%	40%	36%	19%	14%	58%
» FY 2016	-7%	-4%	-3%	0%	-5%	-16%
» FY 2015	31%	60%	47%	35%	39%	25%



**Factors rotate based on market scenario**

\*Source : MFI, NIFTY Indices based on Total Returns Index. FY Periods – April 01, 2014 to March 31, 2024. Past performance may or may not be sustained in the future and shall not be used for comparison with other investments. The figures pertain to performance of the index and do not indicate the returns/performance of the scheme. It is not possible to invest directly in Index

# Why to combine Factors for Investing ?

While single factor investing also has potential to generate better returns than broad markets, they may exhibit cyclical and underperform during certain market condition

A solution to that is Combination of Factors which leads to



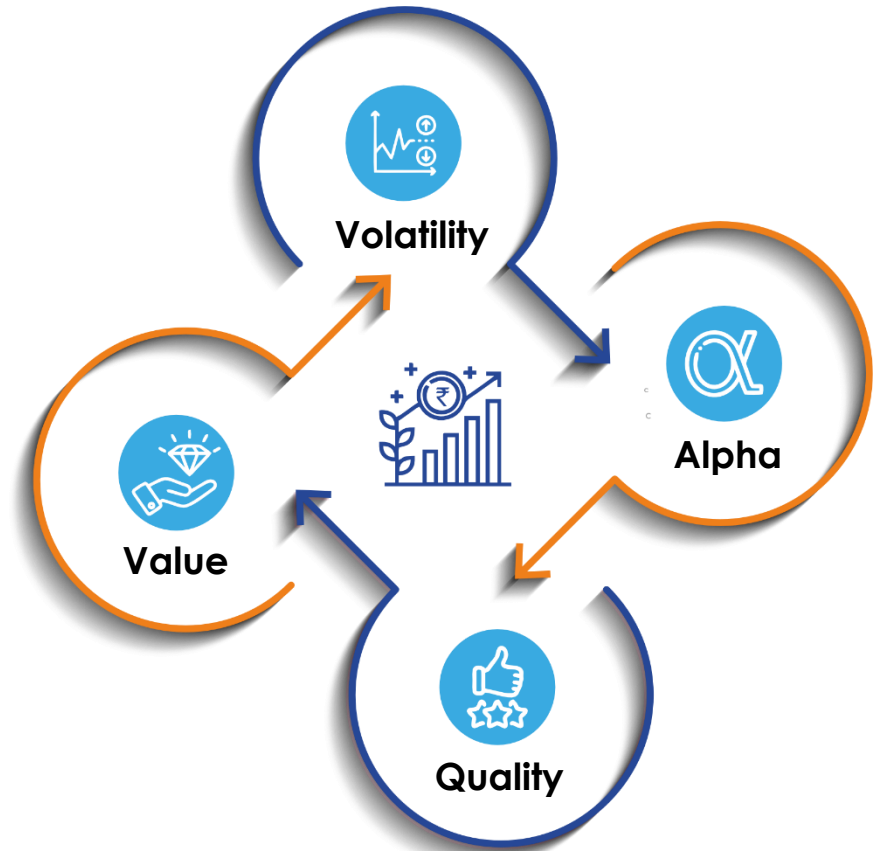
Takes multiple factors such as alpha, volatility, quality, etc. into consideration



Enhanced diversification



Provides alpha generating opportunity with reduced volatility



# Performance : Single Factors Vs Multiple factors

Index		CAGR %	Annualised Volatility	Risk Adjusted Returns
Broad Index	» Nifty 100	15.1%	21.1%	0.72
	» Momentum	21.2%	22.5%	0.94
	» Quality	18.9%	18.2%	1.04
Single-Factors	» Low Volatility	18.4%	17.1%	1.07
	» Alpha	17.7%	22.3%	0.79
	» Value	17.3%	26.5%	0.65
	» Alpha Low Vol	20.2%	17.5%	1.16
Multi-Factor				

## In Long Term

- Single Factors have outperformed the broad indices at differing volatilities
- Multi-factor has
  - Delivered higher return than most of the single factors
  - At relatively lower volatility
  - Thus, a better risk-adjusted return

# Multi-factor offers benefit over Single Factors

Index	CAGR %	Annualised Volatility	Risk Adjusted Returns	
>> Nifty 100 TRI	15.1%	21.1%	0.72	<< Broad Market
>> NIFTY 100 Alpha 30 TRI	17.7%	22.3%	0.79	<< Single factors
>> Nifty 100 Low Volatility 30 TRI	18.4%	17.1%	1.07	
>> <b>NIFTY Alpha Low Volatility 30 TRI</b>	<b>20.2%</b>	<b>17.5%</b>	<b>1.16</b>	<< Multiple Factor

## In Long term, Alpha Low Vol has delivered

- Higher Return than broad Index as well as Alpha & Low Volatility
- Lower Volatility than broad index Alpha and slightly higher than Low Volatility
- Better Risk-Adjusted Returns than broad Index as well as Alpha & Low Volatility



*Presenting*

# Nifty Alpha Low-Volatility 30 Index

A multi-factor index combining Alpha & Low-Volatility in one Index





## Universe

Components of  
Nifty 100 Index  
&  
Nifty Midcap 50 Index



## Filter

Only  
derivative eligible stocks  
are eligible for the  
selection



## Selection

Top 30 stocks  
based on  
equal weighted Alpha +  
Low Vol factors



## Weights

Based on Composite  
(Alpha & Low Volatility)  
score, subject  
to max weight of 5%



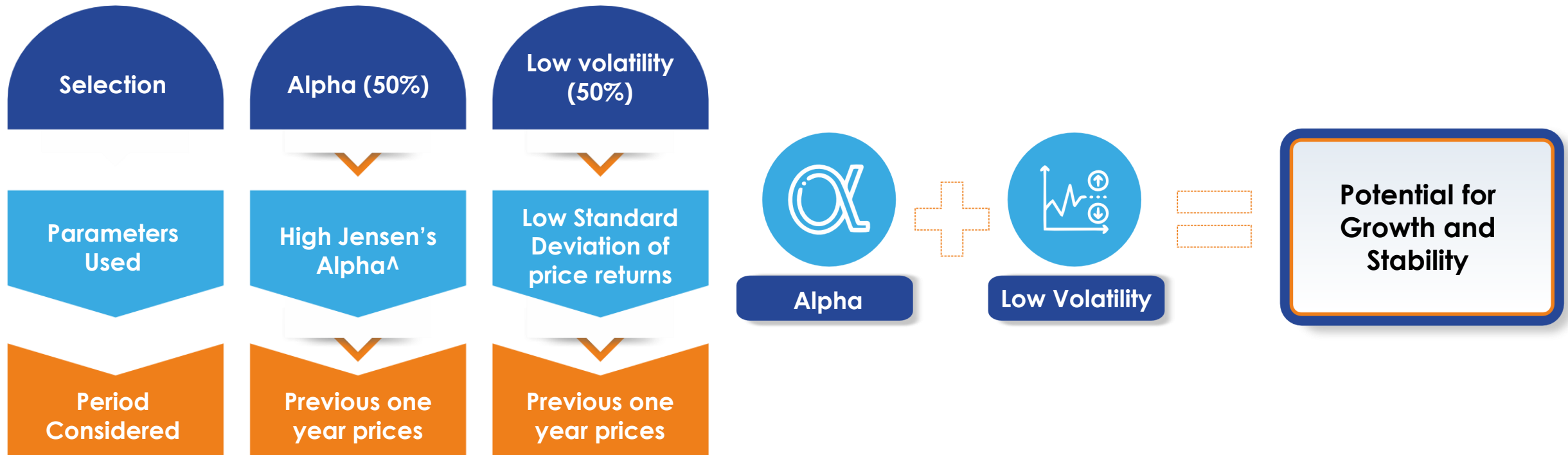
## Rebalancing

Semi-annual  
June &  
December



# Nifty Alpha Low-Volatility 30 Index

An Index portfolio of 30 stocks ( within top 150\* companies) selected on the basis of



Nifty Alpha Low Volatility 30 Index is the product of NSE Indices Limited (a subsidiary of National Stock Exchange of India (NSE) Limited).

\*Top 150 Companies: Nifty 100 Index + Nifty Midcap 50 Index

<sup>^</sup> Alpha calculation:  $as = rs - [rf + \beta s (rm - rf)]$

as: Alpha of the stock

rs: Average of daily return of security during previous 12 months

rf : Average of daily 3 Month MIBOR rate during previous 12 months

rm : Average of daily return of index i.e. Nifty 50

$\beta s$  : Beta of the security calculated based on previous 12 month period

# Why Nifty Alpha Low volatility 30 Index ?

Offers a combination of

## Alpha Factor

**Aggressive Factor**

**Drives Excess Return**

**Outperforms in Up-Market Trends**



## Low Volatility Factor

**Defensive Factor**

**Drives better risk-adjusted returns**

**Offers support in Down-Market Trends**

# Nifty Alpha Low-Volatility 30 Index - Portfolio



# Offers a balanced exposure

Sectors	Alpha Low Vol	Alpha	Low Vol
» Healthcare	18.2	9.2	17.4
» Automobile and Auto Components	17.7	22.0	11.4
» Fast Moving Consumer Goods	17.1	2.3	18.5
» Financial Services	13.3	10.2	16.8
» Construction Materials	6.7		3.2
» Capital Goods	5.9	12.2	
» Oil, Gas & Consumable Fuels	5.8	9.9	3.3
» Telecommunication	5.2	7.4	3.3
» Power	3.7	4.7	
» Construction	3.4		2.7
» Consumer Durables	3.0		7.0
» Chemicals			3.1
» Consumer Services		15.8	
» Information Technology			13.2
» Metals & Mining		3.0	
» Services		3.4	

Alpha Low offers a balanced sector exposure with combination of aggressive and defensive sectors

'Alpha' refers to Nifty 100 Alpha 30 Index TRI, 'Low Vol' refers to Nifty 100 Low Volatility 30 TRI, 'Alpha Low Vol' refers to Nifty Alpha Low-Volatility 30 Index  
 Source : NIFTY Indices Ltd as on Oct 31, 2024. The sector(s)/stock(s)/issuer(s) mentioned above do not constitute any research report/recommendation and the schemes may or may not have any future position in these sector(s)/stock(s)/issuer(s)".

# Nifty Alpha Low-Volatility 30 Index – Portfolio

Sr. No.	Stock Name	% of NAV
1	Sun Pharmaceutical Industries Ltd.	5.49%
2	Bharti Airtel Ltd.	5.17%
3	ICICI Bank Ltd.	4.74%
4	Lupin Ltd.	4.54%
5	ITC Ltd.	4.15%
6	Bajaj Auto Ltd.	3.94%
7	Britannia Industries Ltd.	3.83%
8	NTPC Ltd.	3.67%
9	Colgate Palmolive (India) Ltd.	3.51%
10	Dr. Reddy'S Laboratories Ltd.	3.46%
11	Ultratech Cement Ltd.	3.46%
12	Reliance Industries Ltd.	3.40%
13	Larsen & Toubro Ltd.	3.38%
14	Grasim Industries Ltd.	3.25%
15	Maruti Suzuki India Ltd.	3.24%

Sr. No.	Stock Name	% of NAV
16	TVS Motor Company Ltd.	3.17%
17	Nestle India Ltd.	3.06%
18	Titan Company Ltd.	3.01%
19	Icici Lombard General Insurance Company Ltd.	3.01%
20	Siemens Ltd.	3.00%
21	State Bank Of India	2.96%
22	Cummins India Ltd.	2.87%
23	Axis Bank Ltd.	2.64%
24	Tata Motors Ltd.	2.64%
25	Tata Consumer Products Ltd.	2.59%
26	Bosch Ltd.	2.58%
27	Torrent Pharmaceuticals Ltd.	2.51%
28	Oil & Natural Gas Corporation Ltd.	2.42%
29	Zydus Lifesciences Ltd.	2.16%
30	MRF Ltd.	2.14%

**Index reconstitution will be done on a semi-annual basis in June and December, where the stock is capped at 5%**

# Nifty Alpha Low-Volatility 30 Index - Performance



# Performance Consistency Across Market Cycles\*

Performance Trend based on 1 year daily Rolling Returns over 19+ years

Return Range	Average Returns %					Alpha Over Nifty 100			
	No. of Instances	% of Instances	N100	Alpha	Low Vol	Alpha Low Vol	Alpha	Low Vol	Alpha Low Vol
» Less than -10%	413	9%	-26.1	-26.4	-15.7	-19.2	-0.2	10.4	6.9
» Between -10% to 0%	402	9%	-4.2	-0.4	2.6	2.5	3.8	6.8	6.7
» Between 0% to 10%	1021	22%	5.3	6.0	8.3	9.5	0.6	3.0	4.2
» Between 10% to 20%	997	22%	14.4	18.6	15.9	20.3	4.1	1.5	5.8
» Between 20% to 30%	584	13%	24.5	32.2	24.8	31.3	7.7	0.2	6.8
» Above 30%	1191	26%	48.4	54.8	47.0	49.7	6.4	-1.4	1.3
» Grand Total	4608								

## Alpha Low Vol delivered

- Better average returns than Alpha across negative to moderate return scenarios
- Better average returns than Low Vol across aggressive return scenarios

\*'N100' refers to Nifty 100 TRI, 'Alpha' refers to Nifty 100 Alpha 30 Index TRI, 'Low Vol' refers to Nifty 100 Low-Volatility 30 TRI, 'Alpha Low Vol' refers to Nifty Alpha Low-Volatility 30 Index TRI. Source : MFI, NIFTY Indices Ltd as on Oct 31, 2024, based on Total Returns Index. \* FYTD – April 01, 2005 to Oct 31, 2024. Past performance may or may not be sustained in the future and shall not be used for comparison with other investments. The figures pertain to performance of the index and do not indicate the returns/performance of the scheme. It is not possible to invest directly in Index.

# Returns – Short & Medium Term

	CAGR %				Annualised Volatility				Risk-Adjusted Returns			
	N100	Alpha	Low Vol	Alpha Low Vol	N100	Alpha	Low Vol	Alpha Low Vol	N100	Alpha	Low Vol	Alpha Low Vol
» 1 Year	33.0%	58.6%	33.9%	46.7%	14.0%	22.5%	11.0%	13.4%	2.35	2.61	3.09	3.48
» 3 Years	13.1%	16.9%	16.1%	19.8%	14.4%	20.2%	11.9%	13.5%	0.91	0.83	1.35	1.46
» 5 Years	17.0%	21.8%	18.5%	20.0%	18.6%	21.3%	15.6%	16.8%	0.91	1.02	1.19	1.19
» 7 Years	14.2%	17.2%	15.8%	16.4%	17.3%	19.5%	14.6%	15.6%	0.82	0.88	1.09	1.05
» 10 Years	13.1%	19.1%	14.7%	18.0%	16.4%	18.8%	13.9%	14.8%	0.80	1.02	1.05	1.22
» 15 Years	13.3%	18.5%	16.1%	19.6%	16.5%	17.7%	13.6%	13.9%	0.80	1.05	1.18	1.41

**Alpha Low-Vol delivered better Risk-Adjusted Returns than Alpha & Low Vol over long term**

'N100' refers to Nifty 100 TRI, 'Alpha' refers to Nifty 100 Alpha 30 Index TRI, 'Low Vol' refers to Nifty 100 Low Volatility 30 TRI, 'Alpha Low Vol' refers to Nifty Alpha Low Volatility 30 Index  
 Source : MFI, NIFTY Indices Ltd as on Oct 31, 2024, based on Total Returns Index. Past performance may or may not be sustained in the future and shall not be used for comparison with other investments. The figures pertain to performance of the index and do not indicate the returns/performance of the scheme. It is not possible to invest directly in Index.



## CAGR %

Financial Year	N100	Alpha	Low-Vol	Alpha Low-Vol
FY 24	35%	72.3%	41.3%	58.4%
FY 23	-2%	-20.5%	3.8%	0.8%
FY 22	21%	39.5%	15.1%	20.7%
FY 21	71%	53.4%	62.0%	47.2%
FY 20	-25%	-11.9%	-18.0%	-15.9%
FY 19	14%	13.4%	12.6%	10.7%
FY 18	12%	15.2%	14.1%	19.4%
FY 17	23%	35.5%	19.1%	29.5%
FY 16	-7%	-3.1%	0.4%	-0.2%
FY 15	31%	47.5%	34.8%	55.9%
FY 14	20%	14.7%	19.3%	25.4%
FY 13	9%	16.4%	11.1%	17.3%
FY 12	-8%	0.1%	4.9%	4.3%
FY 11	11%	16.5%	16.3%	21.0%
FY 10	85%	65.2%	80.7%	66.6%
FY 09	-37%	-49.8%	-22.4%	-29.9%
FY 08	24%	27.3%	16.7%	23.5%
FY 07	14%	15.8%	5.3%	6.8%
FY 06	65%	76.7%	92.1%	86.0%

### Key Takeaways

Alpha Low-Vol offers a balance between Alpha & Low Vol

Out of 19 FYs, Alpha Low-Vol has outperformed:

- Alpha – 11 times
- Low-Vol – 11 times

# Returns - Daily Rolling over 19+ years

## 3 Years Rolling Returns – 4103 Observations

	N100	Alpha	Low Vol	Alpha Low-Vol
Average Returns %	12.72	14.71	15.71	17.36
Median Returns %	12.91	17.00	15.34	16.75
Annualised Std Dev.	6.87	10.10	6.07	7.97
% of times outperforming Nifty 100		74%	82%	76%
Average Outperformance %		5.42	3.81	6.67
Average Underperformance %		-8.14	-0.86	-2.10

## 5 Years Rolling Returns – 3616 Observations

	N100	Alpha	Low Vol	Alpha Low-Vol
Average Returns %	12.56	15.13	15.73	17.73
Median Returns %	13.14	16.31	15.70	18.31
Annualised Std Dev.	4.64	6.90	4.02	5.64
% of times outperforming Nifty 100		71.8%	96.9%	88.4%
Average Outperformance %		5.12	3.28	5.94
Average Underperformance %		-3.93	-0.26	-0.76

### Key Takeaways

Alpha Low-Vol has

- Delivered a better average return
- At a relatively lower standard deviation
- Thus, a better risk adjusted returns against both Alpha & Low Vol

Alpha Low has outperformed N100:

- 77% times in a 3 year period, and,
- 88% times in a 5 year period

# Capture Ratios – Based on Monthly Rolling returns over 235 months

» Months delivering +ve returns

» Average Return – when N 100 delivered +ve returns – 4.8%

» Up-capture vs respective index

» Average Return – when N 100 delivered -ve returns – (4.4%)

» Down-capture vs respective index

	Alpha	Low Vol	Alpha LV
Months delivering +ve returns	65%	65%	69%
Average Return – when N 100 delivered +ve returns – 4.8%	5.0%	4.3%	4.5%
Up-capture vs respective index	104%	90%	93%
Average Return – when N 100 delivered -ve returns – (4.4%)	-4.1%	-3.1%	-3.0%
Down-capture vs respective index	94%	71%	67%

## Key Takeaways

Alpha Low Vol has captured 93% of N100 up moves

Whereas it has captured 67% of N100 down moves

Thus, Alpha Low as a factor offers both upside growth and downside protection.

- >> Annualised Standard Deviation
- >> Beta (Nifty 50)
- >> Correlation (Nifty 50)

	Nifty100 Alpha 30	Nifty100 Low Volatility 30	Nifty Alpha Low-Volatility 30
Annualised Standard Deviation	22.47	10.99	13.48
Beta (Nifty 50)	1.37	0.70	0.88
Correlation (Nifty 50)	0.82	0.85	0.87

**While the Long-term return profile of Alpha Low-Vol is closer to Nifty Alpha, the risk ratios of the index is closer to the Nifty Low Volatility Index**

*Presenting*

# UTI Nifty Alpha Low-Volatility 30 Index Fund

(An Open-ended scheme replicating/ tracking Nifty Alpha Low-Volatility 30 TRI)





## Investment Objective

The investment objective of the scheme is to provide returns that, before expenses, closely corresponds to the total return of the securities as represented by the underlying index, subject to tracking error

However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.



## Investment Universe

The investment universe of the fund will be the constituents of Nifty Alpha Low-Volatility 30 Index.



## Investment Strategy

The scheme is a low-cost index Fund which tracks the Nifty Alpha Low-Volatility 30 Index passively. The scheme will endeavor to achieve return equivalent to returns of the underlying index while minimizing tracking error.



## Performance

The scheme will endeavor to replicate the performance of Nifty Alpha Low-Volatility 30 Index.

# UTI Nifty Alpha Low-Volatility 30 Index Fund



## Type of scheme

An Open-ended scheme replicating/tracking Nifty Alpha Low-Volatility 30 TRI



## Plans & Options

Regular Plan and Direct Plan – Both Plan offers Growth Option Only



## Entry and Exit Load\*

NIL



## Minimum Application Amount

Minimum initial investment is ₹1,000/- and in multiples of ₹1/- thereafter

Subsequent minimum investment under a folio is ₹1,000/- and in multiples of ₹1/- thereafter with no upper limit

For minimum SIP amount- refer to Scheme Information Document



## Market Cap Exposure\*

Large Cap – 84% | Mid Cap – 16% | Small Cap - Nil

NFO opens on 11 November 2024 | NFO closes on 25 November 2024

\*As on Oct 31, 2024

^ In terms of provision no. 10.4.1 a. of para 10.4 under Chapter 10 of SEBI Master Circular for Mutual Funds dated June 27, 2024, no entry load will be charged by the Scheme to the investor effective August 1, 2009.

# Why UTI Nifty Alpha Low-Volatility 30 Index Fund?



Provides exposure to two factors in a single fund



Exposure to companies with better growth potential and Stability



Provides Alpha generation opportunity with reduced Volatility



Builds style diversification in your portfolio



# UTI Mutual Fund: Edge in the Index Fund Category



## Experience

» Managing Index Funds over 2 decades



## Scale

» One of the largest Asset Manager in the category with AuM over INR 35,100 Crs across 15 funds



## Track Record

» One of the lowest Tracking Error & Tracking Difference across Time Frames



## System & Processes

» Efficient replication through adequate systems and processes



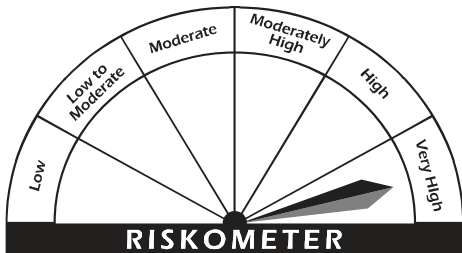
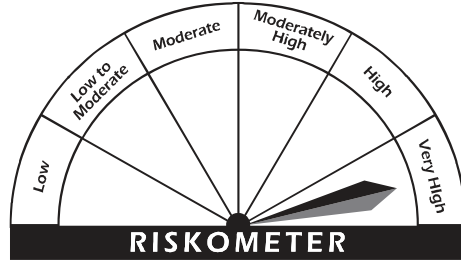
## Cost Structure

» Maintaining Competitive Expense Structure across Index Fund offerings



## UTI Nifty Alpha Low-Volatility 30 Index Fund

(An open-ended scheme replicating/tracking Nifty Alpha Low-Volatility 30 TRI)

Product Label	Fund Riskometer	Benchmark Riskometer
<p><b>UTI Nifty Alpha Low-Volatility 30 Index Fund</b> (An open-ended scheme replicating/tracking Nifty Alpha Low-Volatility 30 TRI)</p> <p><b>Benchmark: Nifty Alpha Low-Volatility 30 TRI #</b></p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Returns that are commensurate with the performance of the Nifty Alpha Low-Volatility 30 Index over long term, subject to tracking error.</li> <li>Investment in securities covered by the Nifty Alpha Low-Volatility 30 Index</li> </ul>	 <p><b>RISKOMETER</b> Investors understand that their principal will be at Very High Risk. <b>UTI Nifty Alpha Low-Volatility 30 Index Fund</b></p>	 <p><b>RISKOMETER</b> Benchmark riskometer is at Very High risk <b>Benchmark : Nifty Alpha Low-Volatility 30 TRI #</b></p>

Product labelling assigned during the New Fund Offer (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.

# Based on the Index Composition as on Oct 31, 2024.

# Disclaimer

REGISTERED OFFICE: UTI Tower, 'GN' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Phone: 022 – 66786666. UTI Asset Management Company Ltd (Investment Manager for UTI Mutual Fund) Email: [invest@uti.co.in](mailto:invest@uti.co.in). (CIN-L65991MH2002PLC137867). For more information, please contact the nearest UTI Financial Centre or your AMFI/NISM certified UTI Mutual Fund Independent Financial Advisor (IFA) for a copy of the Statement of Additional Information, Scheme Information Document, and Key Information Memorandum cum Application Form.

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The fund Strategy shown is subject to change with respect to peer-set and benchmark. Limits mentioned are internal prudential norms. For asset allocation and related details, please refer to the Scheme Information Document of the respective schemes.

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