



**MAY** 2019 **Film**  
**Maker**

**SEP** 2022 **Fighter**  
**Pilot**

**GO AHEAD.**  
**PLAN.**

**AXIS TRIPLE**  
**ADVANTAGE FUND**

**GOLD | EQUITY | FIXED INCOME**

*relax.* IT'S AXIS



**AXIS MUTUAL FUND**

## History Has Shown The Advantage Of True Diversification

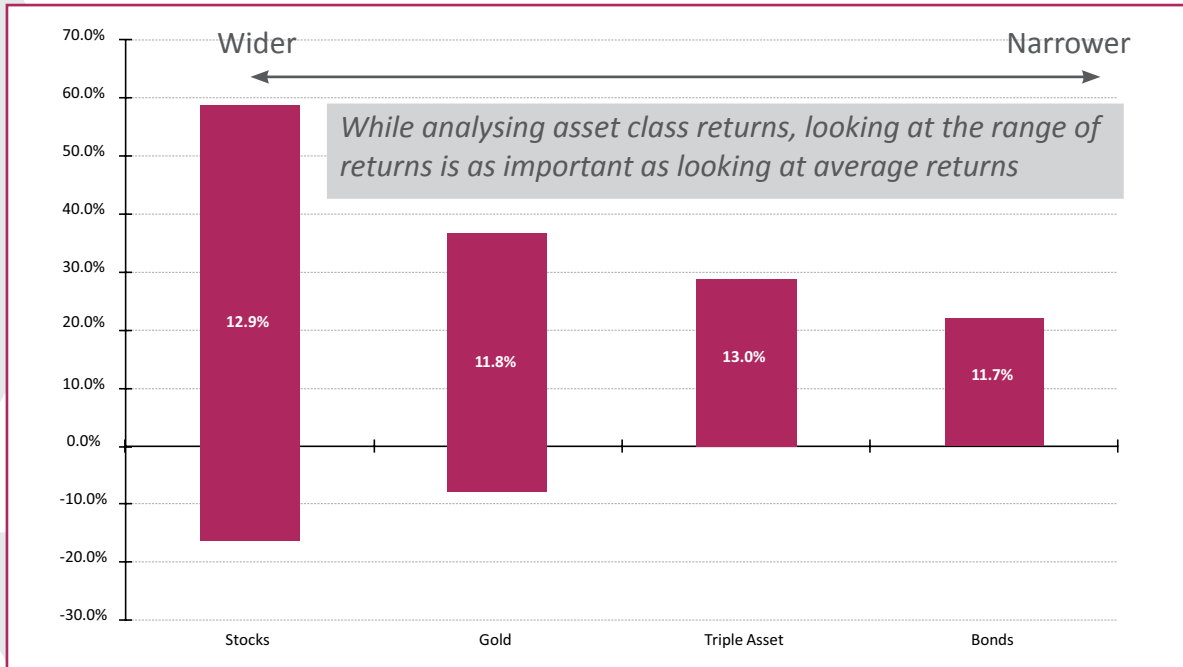
Returns of asset classes				
Year	Stocks	Bonds	Gold	Average
1995	-23%	3%	14%	-2%
1996	-1%	13%	-3%	3%
1997	20%	24%	-14%	10%
1998	-18%	8%	8%	0%
1999	67%	16%	2%	29%
2000	-15%	13%	1%	0%
2001	-16%	25%	6%	5%
2002	3%	23%	24%	17%
2003	72%	12%	13%	33%
2004	11%	-1%	1%	3%
2005	36%	6%	22%	22%
2006	40%	6%	21%	22%
2007	55%	7%	17%	26%
2008	-52%	27%	31%	2%
2009	76%	-6%	19%	30%
2010	18%	6%	24%	16%
2011	-25%	6%	31%	4%

Positive average returns in 16 out of 17 years

- The best and worst performer changes year by year, but 2 out of 3 are positive in most years
- Average returns turned negative only once in 17 years
- Even a 52% fall in stocks in 2008 was balanced by gains in bonds and gold

Data is historical. Past performance may or may not be sustained in future. Stocks: S&P CNX Nifty, Bonds: I-Sec Sovereign Bond Index; Source of data: Bloomberg

# Predictability of returns: Rolling 3-year returns (1995-2011)

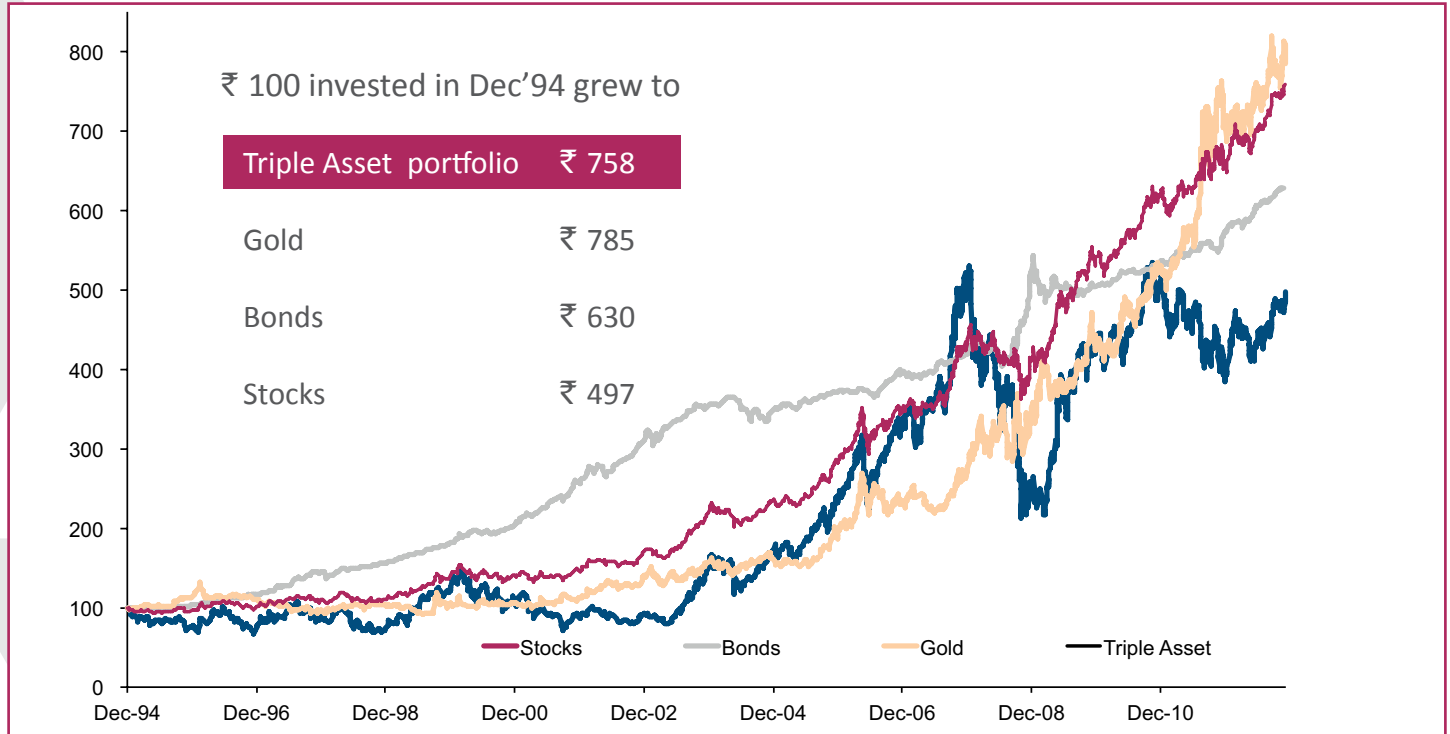


This is historical data. High, Low and Average Rolling 3-Year returns are for the period 31 Dec 1994 to 31 Dec 2011. Returns are compounded annualised. Past performance may or may not be sustained in the future. Stocks are represented by the S&P CNX Nifty and Bonds by the I-Sec Sovereign Bond Index. Triple Asset comprises of Stocks, Bonds and Gold weighted equally and rebalanced monthly. Triple Asset is a simulated portfolio. Source of data: Bloomberg & ACEMF.

# Rebalancing, the asset allocation secret that no one talks about

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*This is historical data for the period 31 Dec 1994 to 30 November 2012 and is rebased to 100. Past performance may or may not be sustained in the future. Stocks are represented by the S&P CNX Nifty and Bonds by the I-Sec Sovereign Bond Index. Triple Asset comprises of Stocks, Bonds and Gold weighted equally and rebalanced monthly. Triple Asset is a simulated portfolio. Source of data: Bloomberg.*

## Rebalancing replicates the maxim of “buy low, sell high”

Rebalancing is done by selling the asset which has outperformed and buying the asset which has underperformed

	Value of ₹ 100 invested in 30 Nov 2012
Equity	₹ 497
Bonds	₹ 630
Gold	₹ 785
Average (no rebalancing)	₹ 638
Triple Asset (with rebalancing)	₹ 758

Rebalancing has delivered 19% higher return.  
The excess return of ₹ 120 is larger than the initial ₹ 100 invested

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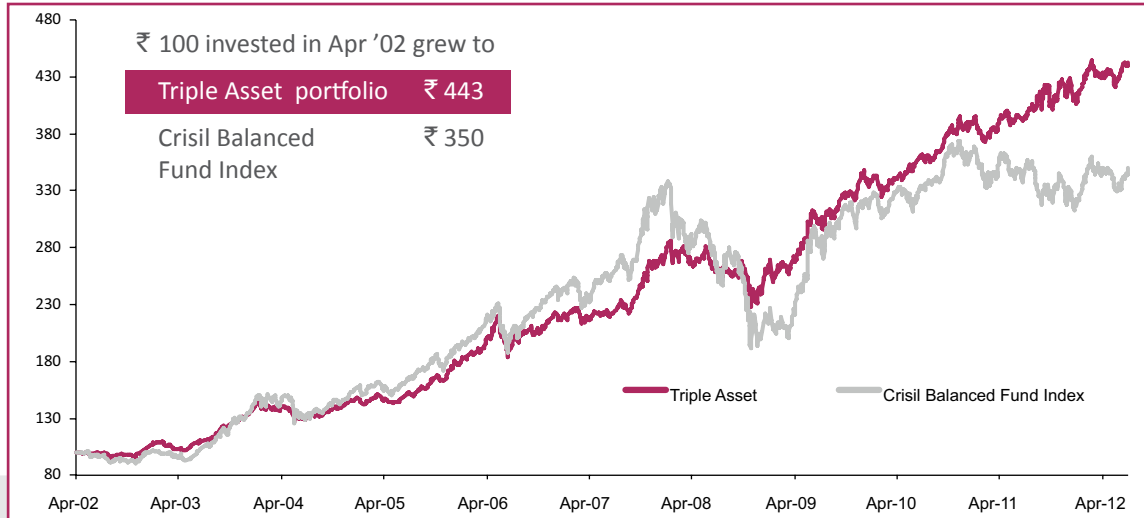
## Equities are powerful, but volatile in nature

Date	S&P CNX Nifty Level	₹ 100,000 invested at the start, value as on	
		Stock (₹)	Triple Asset (₹)
23rd Dec 1994	1182	100,000	100,000
11th Feb 2000	1756	148,527	155,482
21st Sep 2001	854	72,250	134,831
1st Jan 2004	1912	161,743	227,333
1st Jan 2008	6144	519,703	440,194
31st Mar 2009	3021	255,519	427,311
5th Nov 2010	6312	533,922	624,985
30th Dec 2011	4624	391,134	647,705
29th June 2012	5279	446,502	705,007

*This is historical data for the period Dec 1994 to Jun 2012. Past performance may or may not be sustained in the future. Stocks are represented by the S&P CNX Nifty and Bonds by the I-Sec Sovereign Bond Index. Triple Asset comprises of Stocks, Bonds and Gold weighted equally and rebalanced monthly. Triple Asset is a simulated portfolio. Source of data: Bloomberg.*

# Reducing the fall aids in higher gains over time

An equity oriented blended portfolio is mainly correlated with equity markets

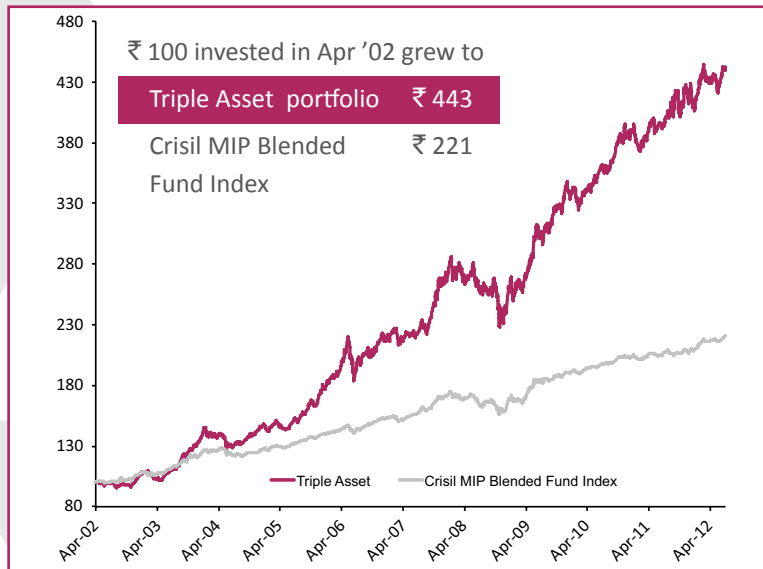


By minimizing the fall, the triple asset portfolio reduces the amount of gain required to make up for the fall

*This is historical data for the period 1 Apr 2002 to 29 Jun 2012 and is rebased to 100. Past performance may or may not be sustained in the future. Stocks are represented by the S&P CNX Nifty and Bonds by the I-Sec Sovereign Bond Index. Triple Asset comprises of Stocks, Bonds and Gold weighted equally and rebalanced monthly. Triple Asset is a simulated portfolio. Crisil Balanced Index is a combined index consisting of 65% Equity & 35% Debt. Source of data: Bloomberg, AMFI*

## Diversification through 2 or 3 asset classes?

A portfolio with 2 asset classes viz., stocks & bonds is beneficial in the short term  
In the long term, investing in all 3 asset classes will give the benefit of true diversification



2 year return (CAGR)		
Period	Crisil MIP Blended Fund Index	Triple Asset
Dec 2002 - Dec 2004	9%	17%
Dec 2003 - Dec 2005	6%	13%
Dec 2004 - Dec 2006	9%	22%
Dec 2005 - Dec 2007	11%	24%
Dec 2006 - Dec 2008	5%	10%
Dec 2007 - Dec 2009	5%	11%
Dec 2008 - Dec 2010	10%	22%
Dec 2009 - Dec 2011	4%	10%

This is historical data for the period 1 Apr 2002 to 29 Jun 2012 and is rebased to 100. Past performance may or may not be sustained in the future. Stocks are represented by the S&P CNX Nifty and Bonds by the I-Sec Sovereign Bond Index. Triple Asset comprises of Stocks, Bonds and Gold weighted equally and rebalanced monthly.. Triple Asset is a simulated portfolio Crisil MIP Blended Fund Index is a combined index consisting of 15% Equity & 85% Debt. Source of data: Bloomberg, AMFI



## Bonds preserve capital, but create limited wealth

Period	3 year AAA Corporate Bond Rate	Rs. 100,000 invested at the start, value after 3 years	
		Bond (₹)	Triple Asset (₹)
Jan 2002 - Dec 2004	8.49%	127,694	159,777
Jan 2003 to Dec 2005	5.87%	118,664	165,912
Jan 2004 to Dec 2006	5.25%	116,591	154,403
Jan 2005 to Dec 2007	6.70%	121,470	186,798
Jan 2006 to Dec 2008	7.31%	123,584	147,903
Jan 2007 to Dec 2009	8.80%	128,791	153,771
Jan 2008 to Dec 2010	8.96%	129,369	142,735
Jan 2009 to Dec 2011	8.70%	128,437	151,477

*This is historical data for the period 1 Jan 2002 to 31 Dec 2011. Past performance may or may not be sustained in the future. Triple Asset comprises of Stocks, Bonds and Gold weighted equally and rebalanced monthly. In the Triple Asset, stocks are represented by the S&P CNX Nifty and bonds by the I-Sec Sovereign Bond Index. Triple Asset is a simulated portfolio. Source of data: Bloomberg.*

## Axis Triple Advantage Fund – Growth through diversification

**AXIS TRIPLE  
ADVANTAGE FUND**  
GOLD | EQUITY | FIXED INCOME

*Seeks to help investors take advantage of the benefits of diversification by investing in a mix of three asset classes viz., equity, bonds and gold.*

### Equity

30 - 40%

Long Term Growth  
Most volatile  
30-40% allocation

Bottom-up stock selection  
Strong and sustainable growth  
companies

### Bonds

30 - 40%

“Classical” diversification  
in portfolio  
Low risk compared to stocks  
30-40% allocation

Active interest rate/duration calls  
Invests across corporate bonds,  
gilt & money market instruments  
High Credit Quality

### Gold

20 - 30%

Hedge against event risks  
Uncorrelated to other assets  
20-30% allocation

Invests in Axis Gold ETF\*

## Investment Strategy - Equity

### Style

Sustainable growth

### Discipline

Investment decisions are an output of a logical and disciplined investment process

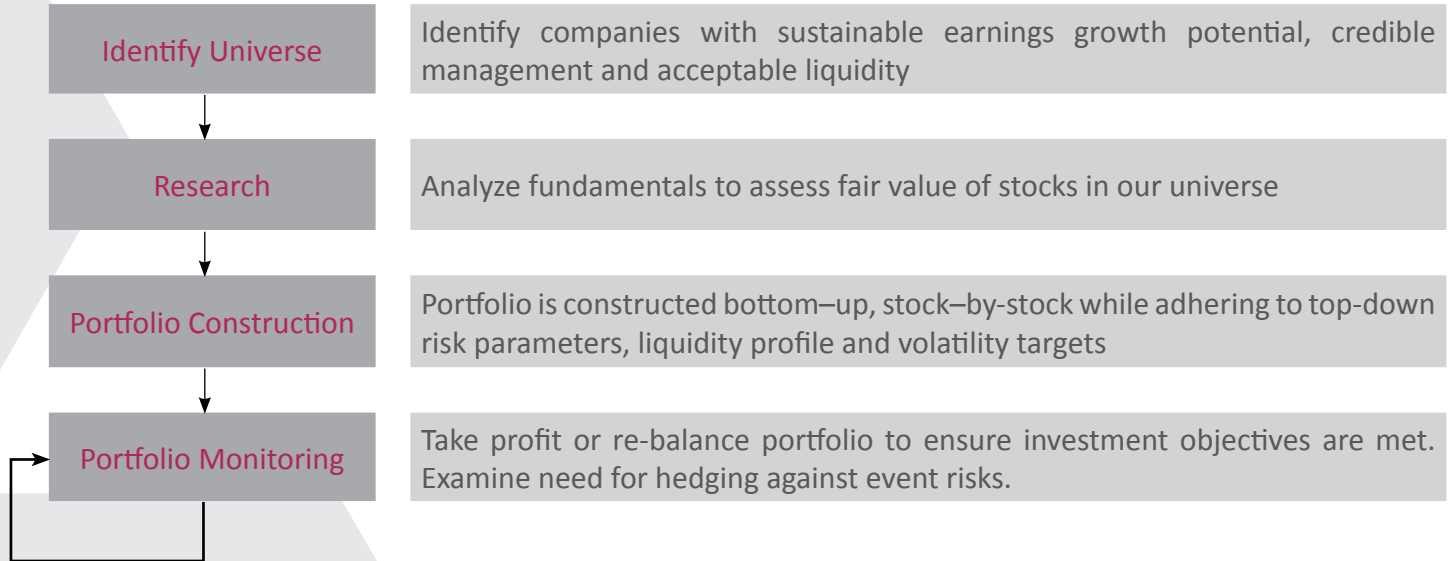
### Fundamentals Based

Investment process utilizes both 'Top down' and 'Bottom up' approaches to identify fundamentally sound companies

### Research Driven

Investment decisions are driven by extensive macroeconomic and company research

# The 4 Stage Equity Investment Process



## We manage interest rates, not credit

Risk management is integral to the investment process

### Interest Rates

Interest rate view based on macro-economic analysis

Analysis of market valuation (yields, spreads) in context of macro environment

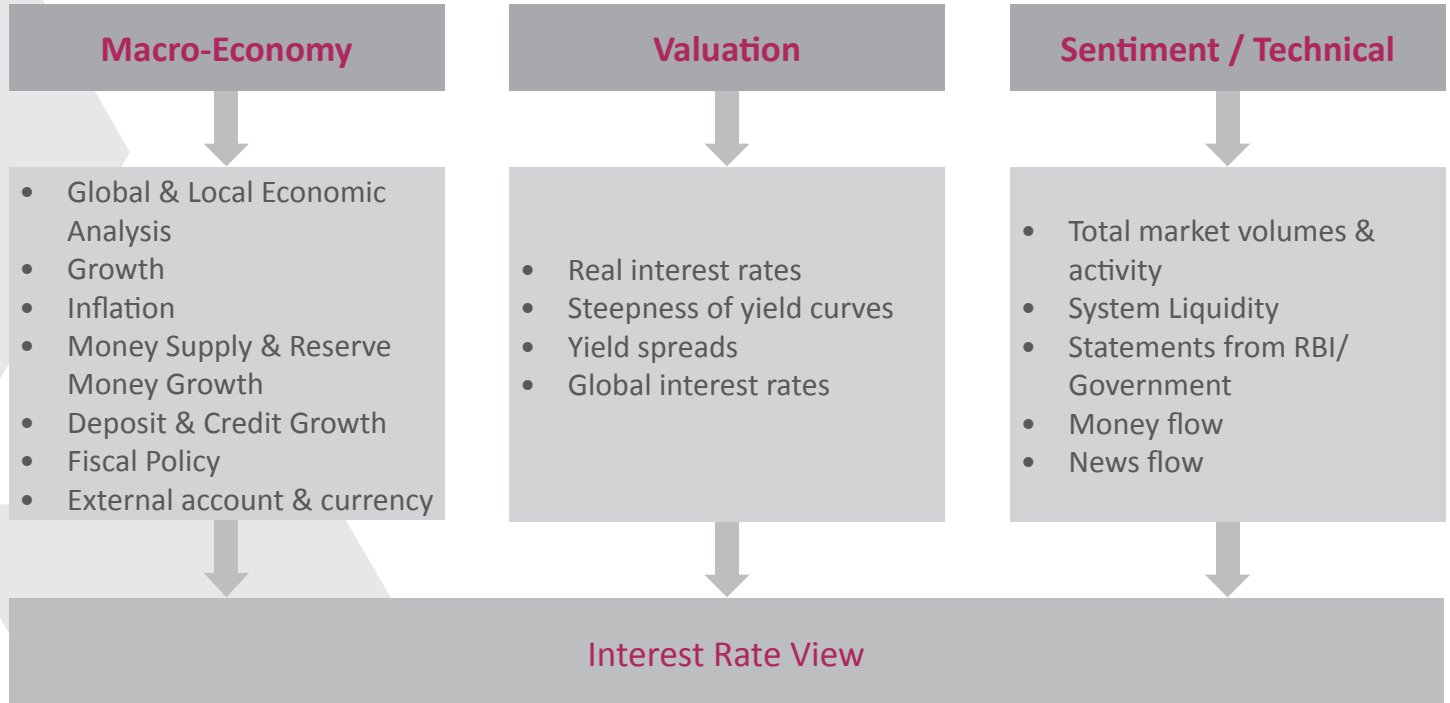
### Credit

We subscribe to the view that in credit risk, it is better to avoid 'losers' than trying to pick 'winners'

Credit analysis of companies to arrive at an "Investment Universe"

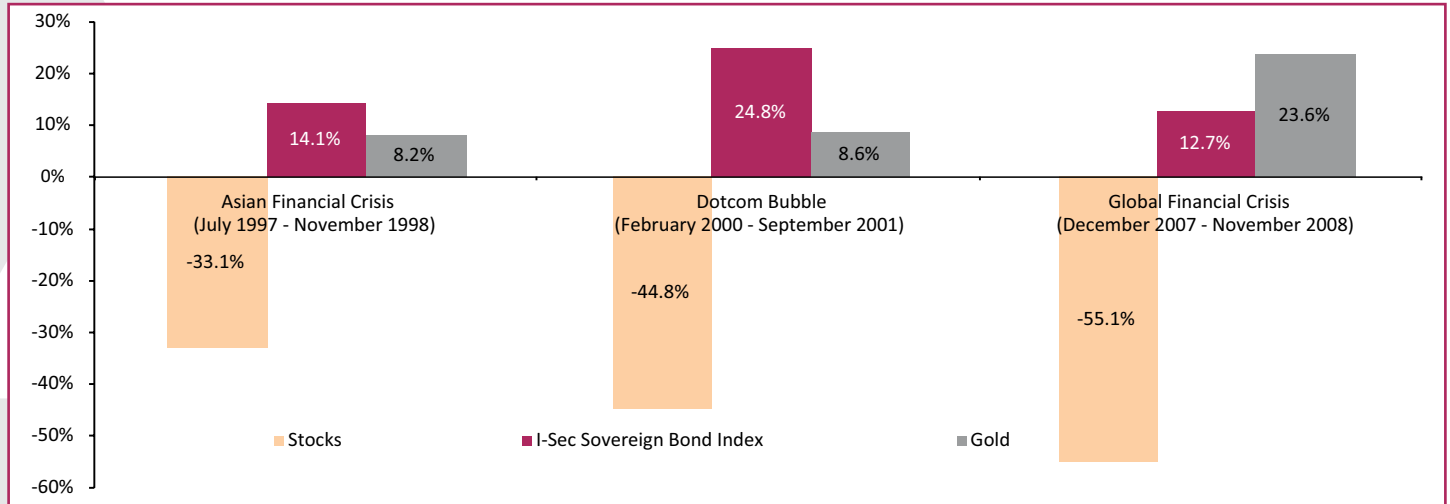
Focus on maintaining high credit quality of the portfolio

# Interest rate view based on macro-economic analysis



# Gold as an event risk hedge

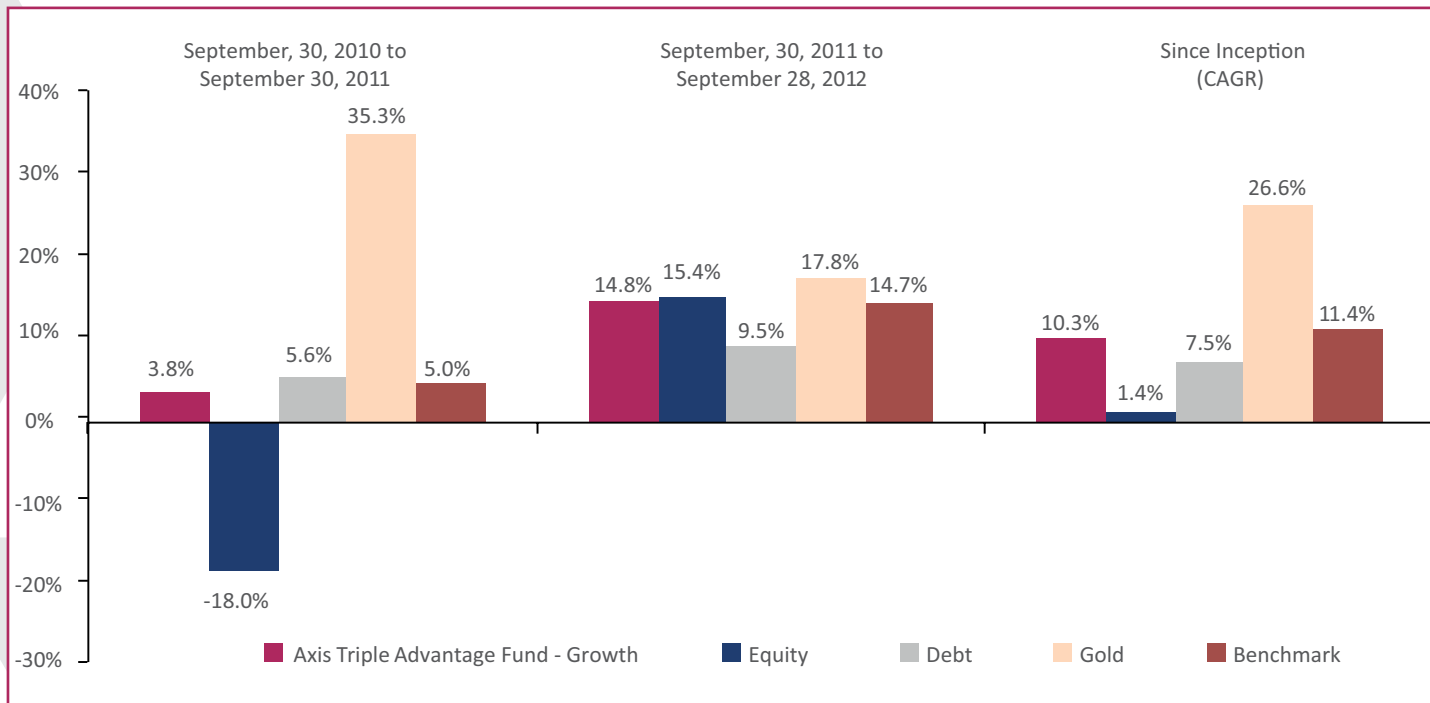
*Typical balanced portfolio of Equity and Bonds  
is reasonably diversified under normal market conditions*



*Gold offers its best hedge during strong equity bear markets*

*This is historical data. Past performance may or may not be sustained in the future. Returns are absolute. Stocks are represented by the S & P CNX Nifty.  
Source of data: Bloomberg.*

# Performance as on 28th September 2012



Equity: S&P CNX Nifty, Debt: Crisil Composite Bond Fund Index, Benchmark: 35% of S&P CNX Nifty + 35% of CRISIL Composite Bond Fund Index + 30% INR Price of Gold. Past performance may or may not be sustained in future. Calculations are based on Growth Option NAV. Since inception returns are calculated on Rs. 10 invested at inception. Date of Inception: 23rd August 2010. Sudhanshu Asthana manages 2 schemes & R. Sivakumar manages 5 schemes. Please refer to annexure for performance of all schemes managed by the fund managers.



## Why invest?

1

Benefit of diversification across asset classes

2

Lower volatility of returns

3

Disciplined process for portfolio rebalancing

4

Lower transaction cost through portfolio rebalancing process

5

Professional fund management across asset classes



## Fund Features

Type of Scheme	An Open Ended Hybrid Fund
Benchmark	35%-S&P Nifty + 35%-CRISIL Composite Bond Fund Index + 30%-INR Price of Gold
Fund Manager	Sudhanshu Asthana and R. Sivakumar
Load Structure	Entry Load: Nil Exit Load: 3% if redeemed/switched out up to 6 months from the date of allotment 2% if redeemed/switched out after 6 months & up to 12 months from the date of allotment 1% if redeemed/switched out after 12 months & up to 24 months from the date of allotment
Minimum Application Amount (for lump sum applications)	₹ 5,000 in multiples of ₹ 1/- thereafter
Minimum Additional Purchase Amount	₹ 100 and in multiples of ₹ 1/- thereafter
Options/ Sub Options Offered	Growth Dividend (Payout & Reinvestment)
Switch-In/ Sleep in Peace Option (SIP)*/ Systematic Withdrawal Plan (SWP) / Systematic Transfer Plan (STP)	Available
EasyCall	Available

\*Refers to Systematic Investment Plan.

The scheme was managed by Chandresh Nigam, Sudhanshu Asthana & R.Sivakumar till November 4, 2012. w.e.f. November 5, 2012, the scheme is managed by Sudhanshu Asthana & R. Sivakumar. Sudhanshu Asthana manages 2 schemes & R. Sivakumar manages 5 schemes . Please refer to annexure for performance of all schemes managed by the fund managers.

## Annexure

## AXIS TRIPLE ADVANTAGE FUND

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### Annexure for returns of schemes managed by fund manager (as on 28<sup>th</sup> September, 2012)

	September, 30, 2010 to September 30, 2011	September, 30, 2011 to September 28, 2012	Since Inception	Current Value of Investment if Rs. 10,000 was invested on inception date	Date of Inception
	Absolute Return (%)	Absolute Return (%)	CAGR (%)		
<b>Funds managed by Sudhanshu Asthana</b>					
<b>Axis Triple Advantage Fund - Growth</b>	3.76%	14.85%	10.31%	12,291	23-Aug-10
35% of S&P CNX Nifty + 35% of Crisil Composite Bond Fund Index + 30% Of INR Price of Gold (Benchmark)	5.00%	14.70%	11.42%	12,550	
S&P CNX Nifty	-18.02%	15.38%	1.36%	10,288	
Additional Benchmark	Not Applicable				
<b>Funds managed by R.Sivakumar</b>					
<b>Axis Triple Advantage Fund - Growth</b>	3.76%	14.85%	10.31%	12,291	23-Aug-10
35% of S&P CNX Nifty + 35% of Crisil Composite Bond Fund Index + 30% Of INR Price of Gold (Benchmark)	5.00%	14.70%	11.42%	12,550	
S&P CNX Nifty	-18.02%	15.38%	1.36%	10,288	
Additional Benchmark	Not Applicable				
<b>Axis Income Saver - Growth</b>	1.12%	9.27%	6.06%	11,387	16-Jul-10
Crisil MIP Blended Fund Index (Benchmark)	1.90%	10.60%	6.71%	11,540	
Additional Benchmark	Not Applicable				
<b>Axis Dynamic Bond Fund - Growth</b>	-	9.41%	9.33%	11,355	27-Apr-11
Crisil Composite Bond Fund Index (Benchmark)	-	9.50%	8.65%	11,254	
Additional Benchmark	Not Applicable				

Past performance may or may not be sustained in future. Calculations are based on Growth Option NAV. The above data excludes performance of close ended schemes as their performance is not comparable with other debt schemes & schemes which have not completed a year.

## Statutory Details and Risk Factors

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**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.

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

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