

# It's all about the next generation of leaders.

with

## **AXIS** NIFTY NEXT 50 INDEX FUND

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(An Open Ended Index Fund tracking the NIFTY NEXT 50 Index)

It's time to give your investment the potential to grow with companies that come after the top 50 so that you can make the most out of your investment.

**NFO period:** 7<sup>th</sup> to 21<sup>st</sup> January 2022



# Product Labeling & Riskometer

## Fund Name & Benchmark

### **AXIS NIFTY NEXT 50 INDEX FUND**

(An Open Ended Index Fund tracking the NIFTY Next 50 Index)

#### **Benchmark:**

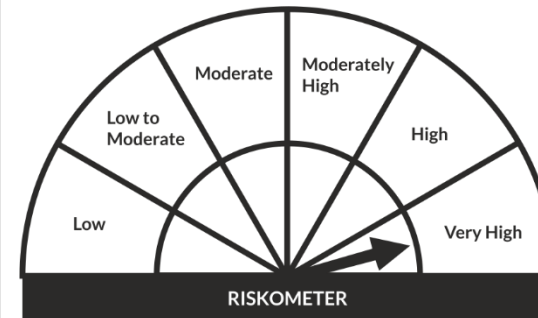
**Nifty Next 50 Index TRI**

## Product Labelling

This product is suitable for investors who are seeking\*

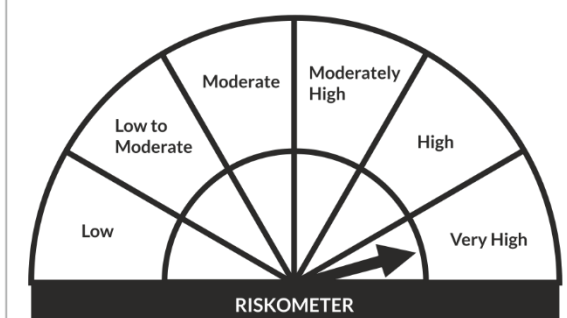
- Long term wealth creation solution
- An index fund that seeks to track returns by investing in a basket of Nifty Next 50 Index stocks and aims to achieve returns of the stated index, subject to tracking error.

## Product Riskometer



Investors understand that their principal will be at very high risk

## Benchmark Riskometer

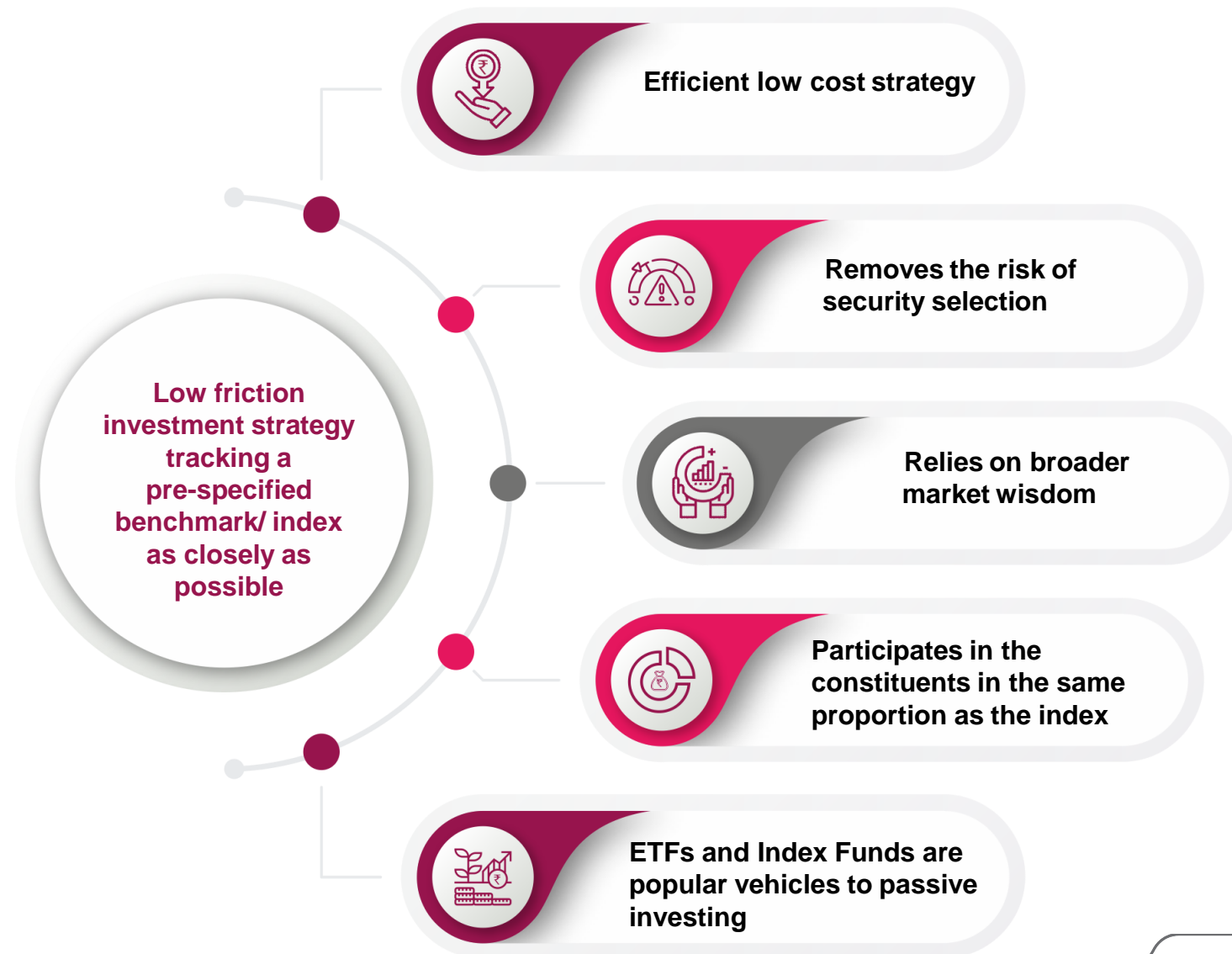


**Nifty Next 50 Index TRI**

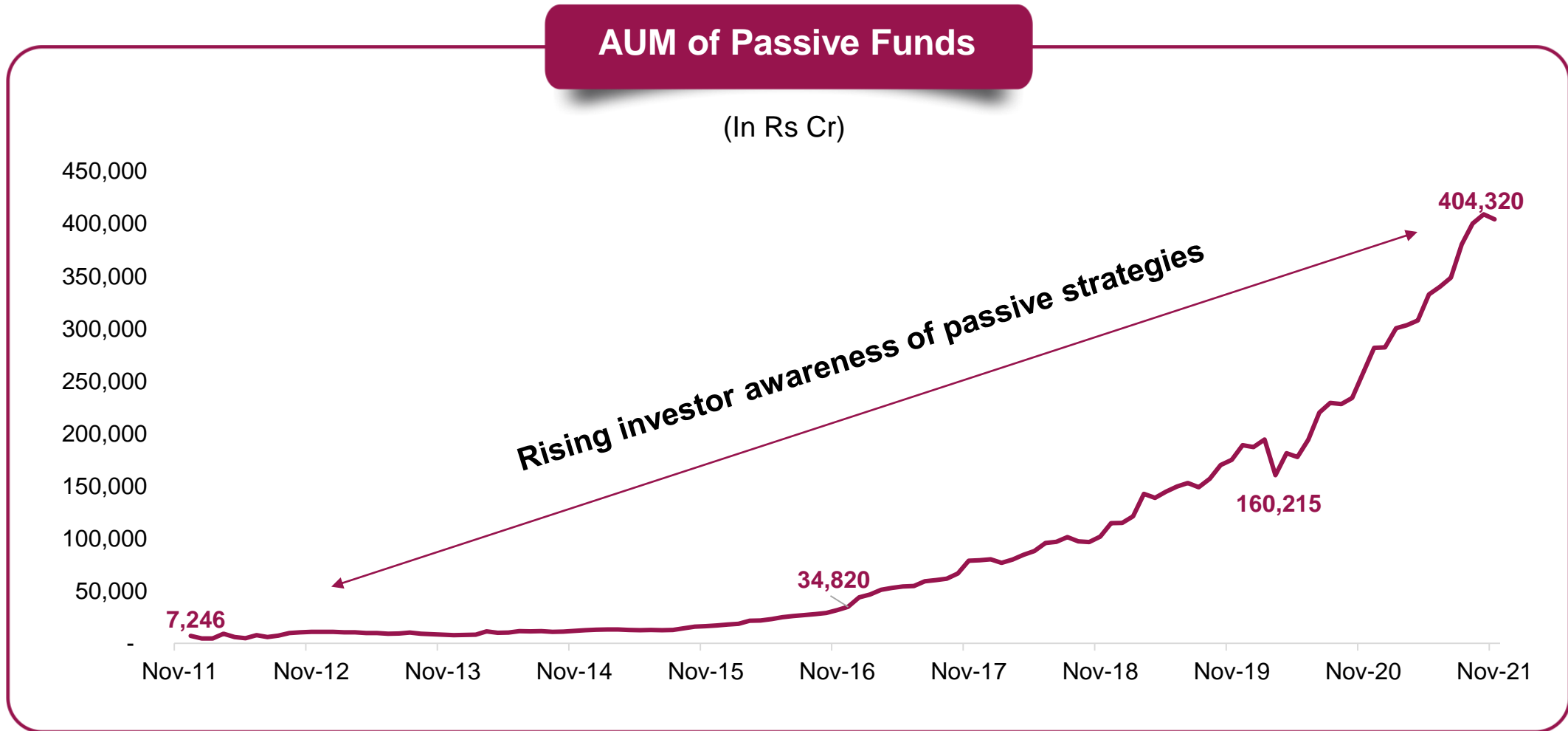
\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

(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).

# Passive investing



# The flow in passive strategies has been on a rise



# Passive strategies: Index funds and ETFs

- What are they?**
- How to invest?**
- Cost of investing**
- Brokerage Account**
- MF special products availability**

Exchange Traded Funds	Index Funds
Passive funds tracking an index	
Trade like a stock on the exchange	NAV based investment like Mutual Fund
Fund TER + trading costs (brokerage etc.)	Fund TER (Direct/Regular plan)
Brokerage account is required to trade in ETFs	Not required
Not available	Along with lumpsum, facilities such as SIP, STP, SWP etc. are available

Source: Axis AMC Internal Analysis. TER: Total Expense Ratio, ETF: Exchange Traded Fund, SIP: Systematic Investment Plan, STP: Systematic Transfer Plan, SWP: Systematic Withdrawal Plan.

# Why invest in an Index fund?

Because you want to have...

Lower expenses



Broad diversification



Consistent style



Market-linked returns



Because you want to avoid...

Actively managed portfolios



Fund manager value addition



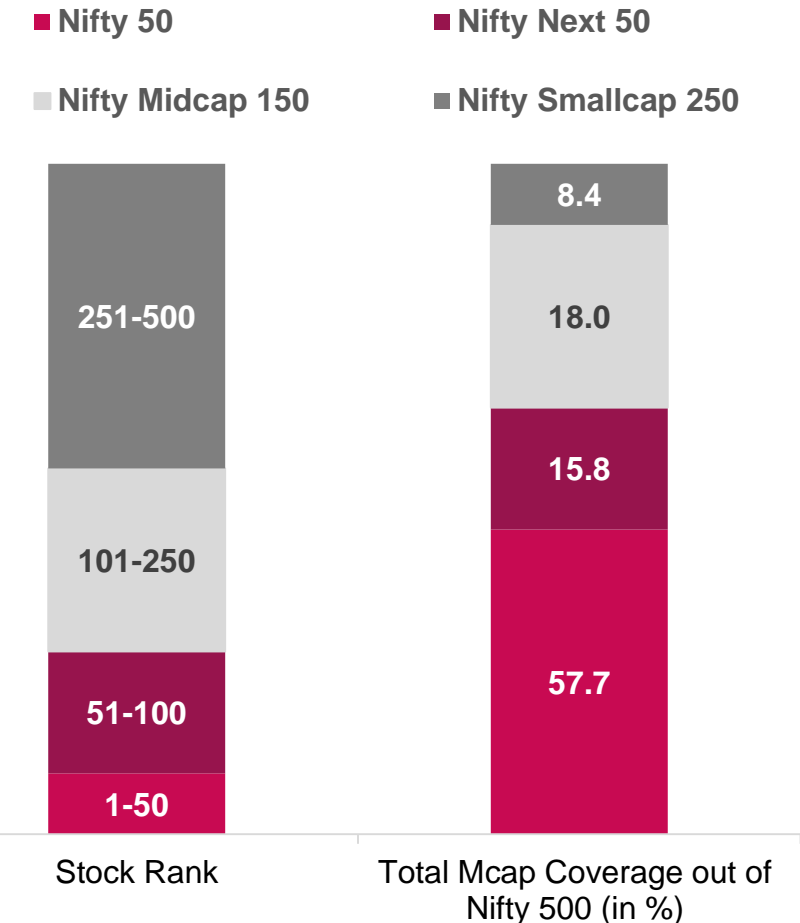
Uncertainty on potential alpha



# About Nifty Next 50 Index:

**Index Objective:** The index is designed to measure the performance of 50 companies from the constituents of Nifty100 Index after excluding the constituents of Nifty 50 Index.

## Index Methodology Snapshot:



Source: NSE Indices. Data as on 30<sup>th</sup> November 2021.

For detailed index methodology kindly visit [www.niftyindices.com/](http://www.niftyindices.com/). The above chart is used to explain the concept and is for illustration purpose only. It should not be used for development or implementation of any investment strategy.

# About Nifty Next 50 Index:

## Quick Facts

- NIFTY Next 50 Comprises of companies ranked 51-100 by market cap.
- The index is a subset of the NIFTY 100.
- Cumulative weight of index constituents that are not available for trading in F&O segment (Non F&O stocks) is capped at 15% on quarterly rebalance dates.
- Weightages of non F&O stocks in the index are individually capped at 4.5% on quarterly rebalance dates.
- Index Re-Balancing : Index is re-balanced on semi-annual basis. The cut-off date is January 31 and July 31 of each year.

### Parameters

No of stocks

5 year return

1 Year volatility

P/E

P/B

Dividend yield

### Nifty Next 50

**50**

**14.85%**

**15.63%**

**22.55**

**4.25**

**1.10%**



# About Nifty Next 50 Index?

## Top 10 Sectors

Sector	Weight (%)
FINANCIAL SERVICES	19.07
CONSUMER GOODS	16.91
METALS	10.97
CONSUMER SERVICES	10.25
PHARMA	7.91
POWER	6.21
OIL & GAS	4.89
HEALTHCARE SERVICES	4.71
CEMENT & CEMENT PRODUCTS	3.85
CHEMICALS	2.76

## Top 10 constituents

Company's name	Weight (%)
Apollo Hospitals Enterprise Ltd.	4.71
Avenue Supermarts Ltd.	4.27
Adani Enterprises Ltd.	3.76
Info Edge (India) Ltd.	3.69
Vedanta Ltd.	3.62
Adani Green Energy Ltd.	3.20
ICICI Lombard General Insurance Company Ltd.	3.01
Adani Transmission Ltd.	3.01
Godrej Consumer Products Ltd.	2.87
Dabur India Ltd.	2.85

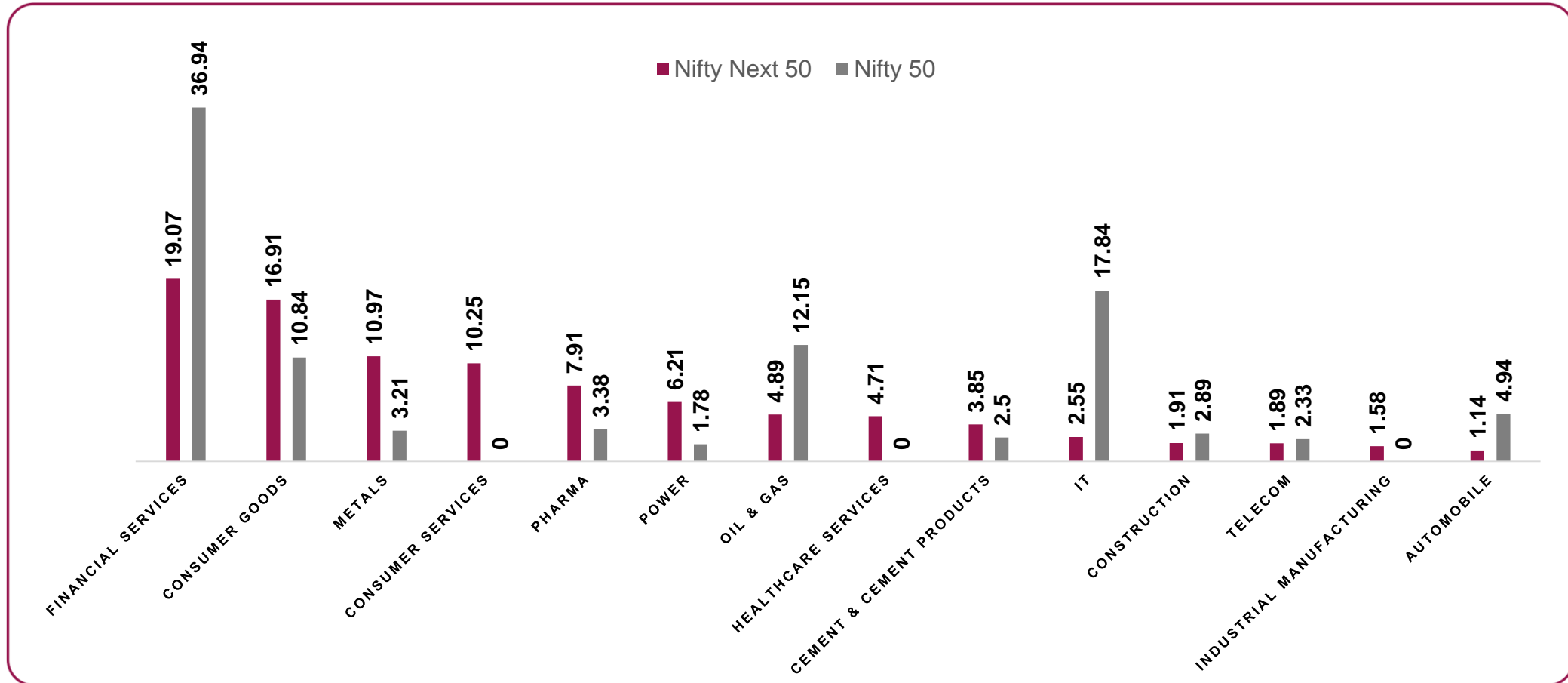
Source: NSE Indices. Data as on 30<sup>th</sup> November 2021.

Stocks/sectors mentioned are meant for illustrative purposes only and should not be considered as investment advice.

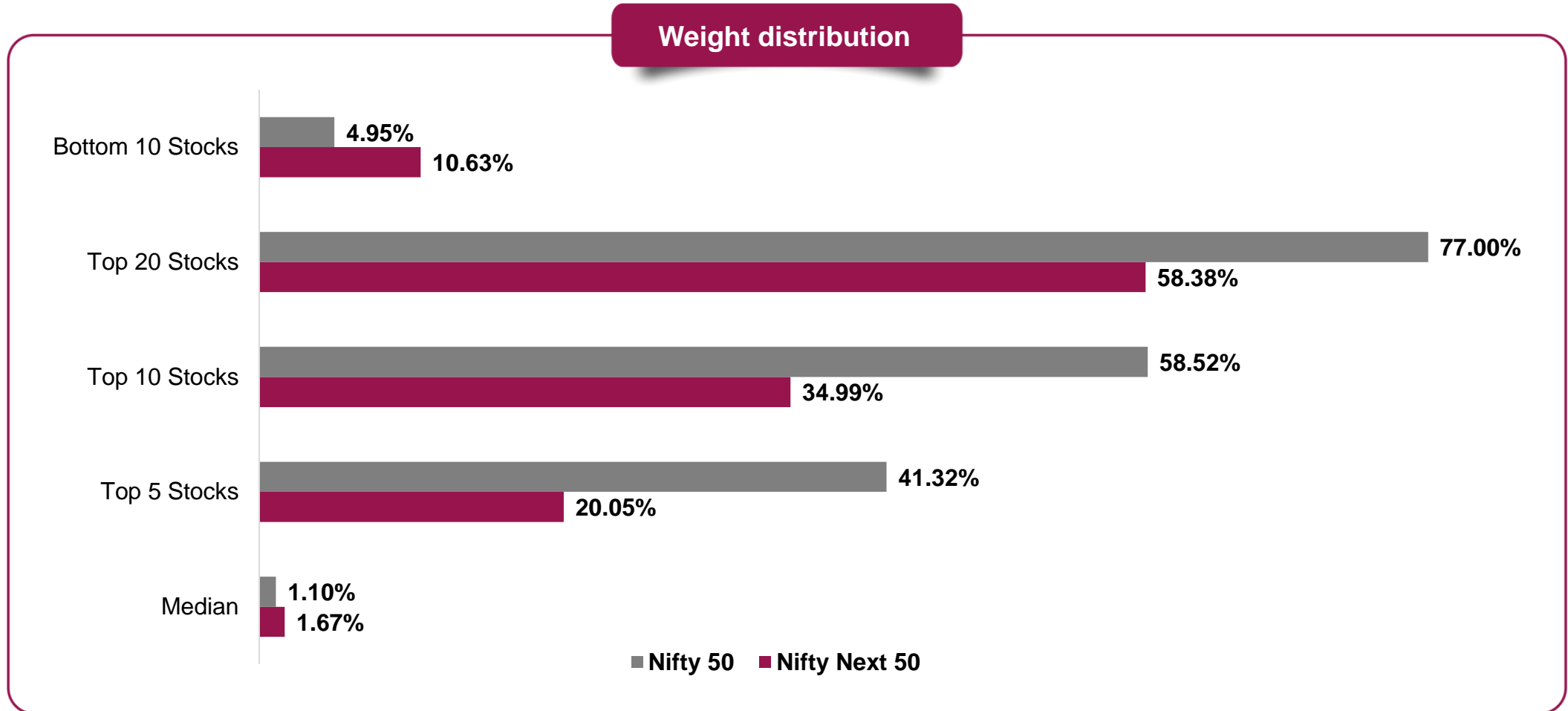
# Sector Diversification with Nifty Next 50 Index

**Nifty Next 50 Index complements Nifty 50 Index as the former offers:**

- Exposure to new businesses within respective broad sector, giving a taste of new flavors compare to Nifty 50.
- Diversified allocation across sectors.

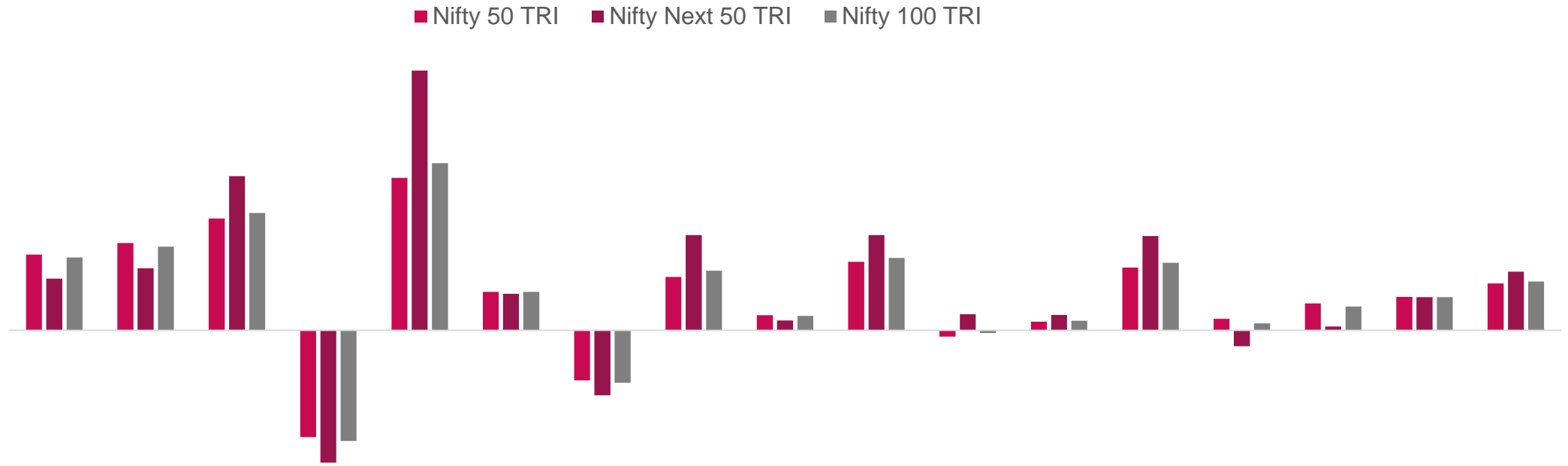


# Nifty Next 50: Stock distribution



**Nifty Next 50 portfolio is more diversified as compared to Nifty 50.**

# Nifty Next 50: Calendar year returns



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
■ Nifty 50 TRI	36.37%	41.93%	53.71%	-51.32%	73.24%	18.52%	-24.09%	25.61%	7.24%	32.95%	-3.03%	4.17%	30.16%	5.59%	12.98%	16.01%	22.55%
■ Nifty Next 50 TRI	24.83%	29.76%	74.09%	-63.56%	124.88%	17.51%	-31.28%	45.79%	4.74%	45.75%	7.73%	7.38%	45.26%	-7.68%	1.86%	15.97%	28.24%
■ Nifty 100 TRI	34.99%	40.23%	56.36%	-53.20%	80.35%	18.46%	-25.20%	28.64%	6.98%	34.83%	-1.32%	4.66%	32.42%	3.39%	11.44%	15.97%	23.46%

**Since 2005, Nifty Next 50 has outperformed Nifty 50 and Nifty 100 together in 8 calendar years.**

# Rolling Returns and Periodic Returns comparison

Better consistent outperformance as compared to Nifty 50 and Nifty 100						
Period	Number of Observations	Average Rolling Returns			Outperformance of Nifty Next 50 TRI over Nifty 50	Outperformance of Nifty Next 50 TRI over Nifty 100
		Nifty Next 50 TRI	Nifty 50 TRI	Nifty 100 TRI		
1 Year	3947	20.28%	17.22%	17.66%	3.06%	2.62%
3 Year	3452	13.68%	11.75%	12.12%	1.93%	1.56%
5 Year	2956	14.87%	11.71%	12.28%	3.15%	2.59%
10 Year	1717	14.62%	11.40%	11.97%	3.22%	2.64%
15 Year	481	13.99%	12.48%	12.80%	1.51%	1.19%

Nifty Next 50 has shown alpha in 3 period's CAGR compared with Nifty 50 and Nifty 100					
Point to Point Returns	Nifty Next 50 TRI	Nifty 50 TRI	Nifty 100 TRI	Outperformance of Nifty Next 50 over Nifty 50	Outperformance of Nifty Next 50 over Nifty 100
1 Year	36.71%	31.08%	32.00%	5.64%	4.71%
3 Year	15.72%	17.38%	17.20%	-1.65%	-1.48%
5 Year	15.06%	17.14%	16.87%	-2.07%	-1.80%
10 Year	17.76%	14.55%	15.11%	3.20%	2.65%
15 Year	13.81%	11.47%	11.90%	2.34%	1.91%

Source: NIFTY Indices, Axis MF Research. Data as of 30<sup>th</sup> November 2021.

**Past performance may or may not be sustained in the future.** Rolling returns are computed on daily rolling basis since 1<sup>st</sup> April 2005 till 30<sup>th</sup> November 2021.

# Historical performance

**NIFTY Next 50 has outperformed the NIFTY 50 Index over the last decade**



Source: NIFTY Indices, Axis MF Research. Data as of 30<sup>th</sup> November 2021.

**Past performance may or may not be sustained in the future.** Values of both indices are normalized to Rs 10 from 30<sup>th</sup> November 2011.

# Achieving investor objectives with an Index fund



## Lower expenses

Index Funds have relatively lower expenses than actively managed funds.



## Consistent style

The index represents 50 companies selected from the universe of NIFTY 100 based on free-float market capitalization.



## Diversification

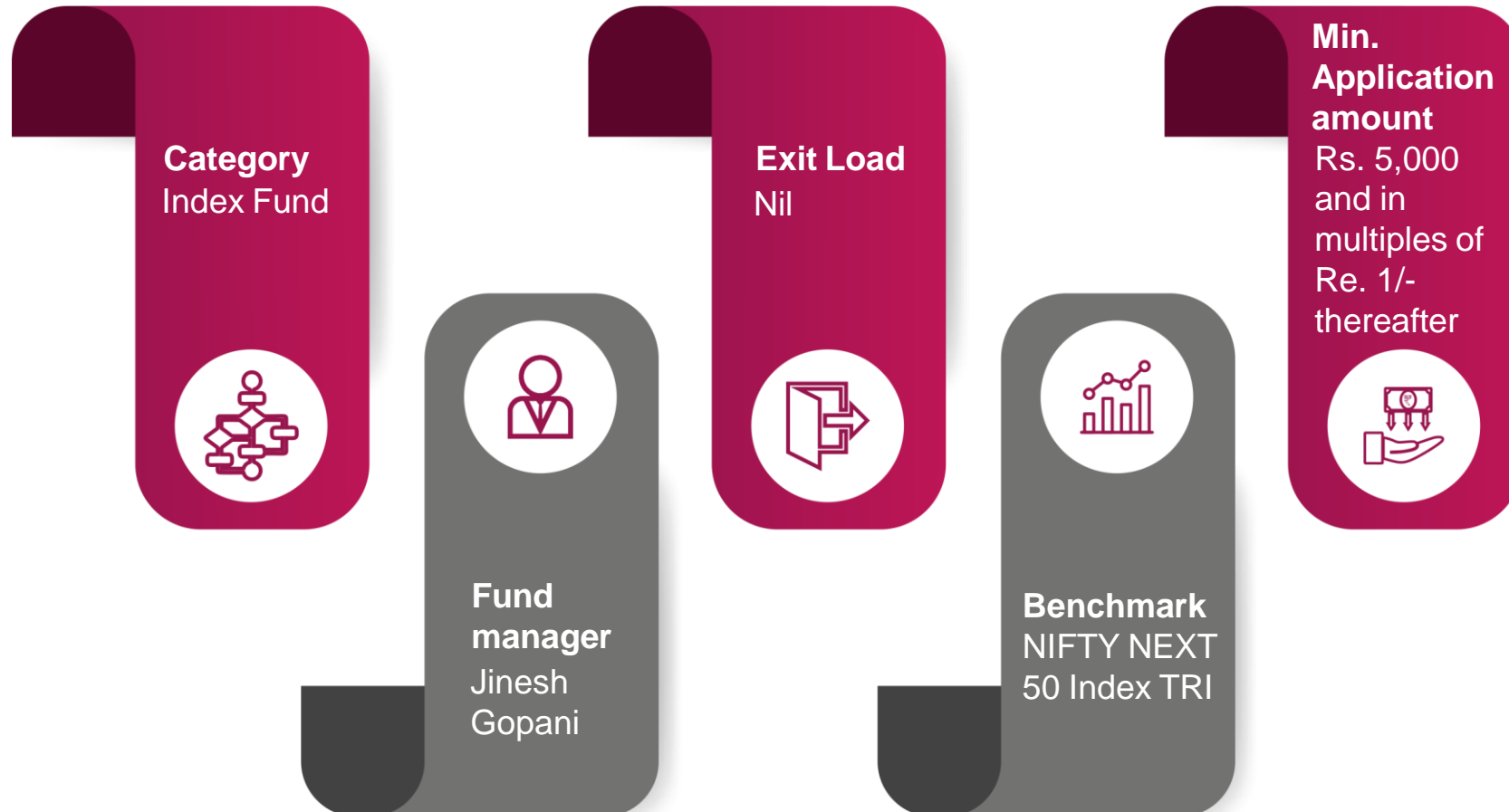
Nifty Next 50 Index consists of 50 companies spread across 13 Industries.



## Market linked returns

Nifty Next 50 index is the barometer of performance of the 50 largest companies outside the Nifty 50 index

# Features at a glance





# Basket of passive products

## Broad Market

- Axis NIFTY ETF
- Axis NIFTY 100 Index Fund
- Axis NIFTY 50 Index Fund
- Axis NIFTY Next 50 Index Fund

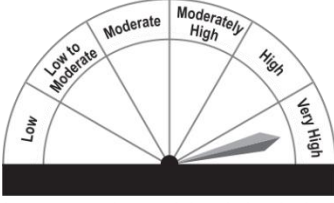
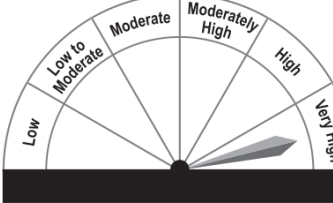
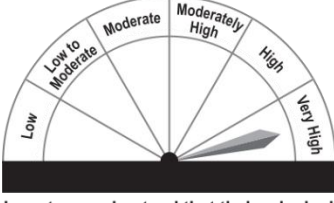
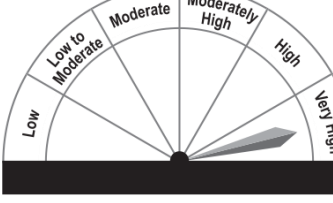
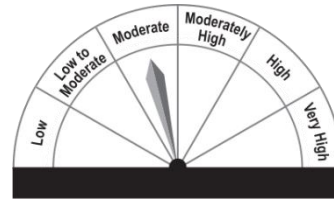
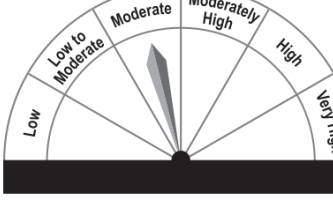
## Sectoral/ Thematic

- Axis Banking ETF
- Axis Technology ETF
- Axis Healthcare ETF
- Axis Consumption ETF

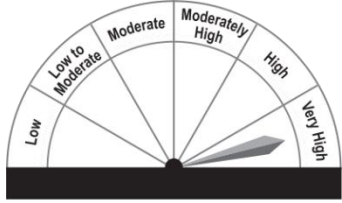
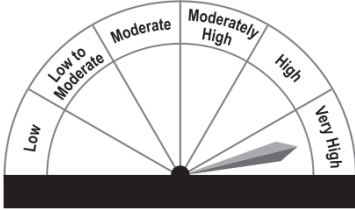
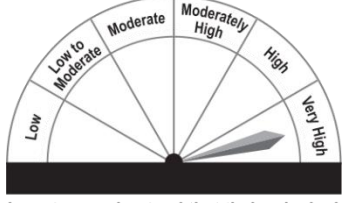
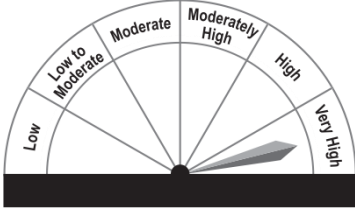
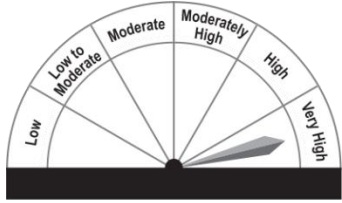
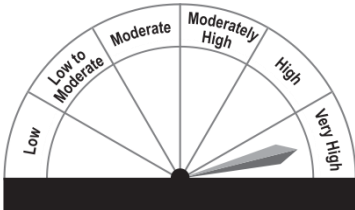
## Fixed Income

- Axis AAA Bond Plus SDL ETF - 2026 Maturity
- Axis AAA Bond Plus SDL ETF - 2026 Maturity FOF

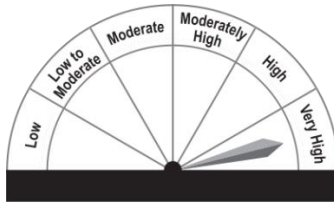
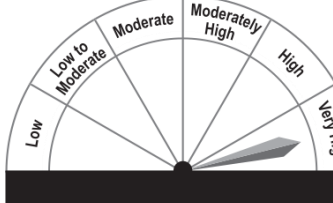
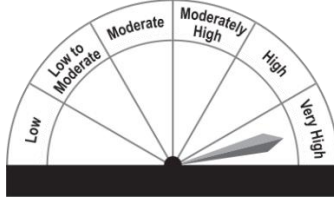
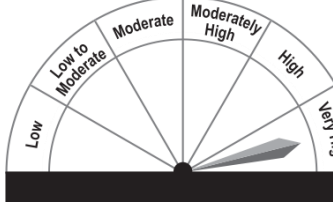
# Riskometer

Fund Name & Benchmark	Product Labelling	Product Riskometer	Benchmark Riskometer
<p><b>Axis Nifty ETF</b> (An open ended scheme replicating /tracking Nifty 50 index)</p> <p><b>Benchmark: Nifty 50 TRI Index</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Capital appreciation over medium to long term.</li> <li>• Investments in Equity &amp; Equity related Instruments covered by Nifty 50 Index.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>Nifty 50 TRI Index</p>
<p><b>Axis Nifty 100 Index Fund</b> (An Open Ended Index Fund tracking the NIFTY 100 Index)</p> <p><b>Benchmark: NIFTY 100 Index TRI</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Long term wealth creation solution</li> <li>• An index fund that seeks to track returns by investing in a basket of Nifty 100 Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>NIFTY 100 Index TRI</p>
<p><b>Axis AAA Bond Plus SDL ETF - 2026 Maturity FoF</b> (An Open ended Target Maturity Fund of Fund Scheme investing in units of Axis AAA Bond Plus SDLETF- 2026 Maturity)</p> <p><b>Benchmark: Nifty AAA Bond Plus SDL Apr 2026 50:50 Index</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Income over long term</li> <li>• Investments in units of Axis AAA Bond Plus SDL ETF – 2026 Maturity ETF, an open ended Target Maturity ETF investing predominantly in constituents of Nifty AAA Bond Plus SDL Apr 2026 50:50 Index</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Moderate Risk</p>	 <p>Nifty AAA Bond Plus SDL Apr 2026 50:50 Index</p>

# Riskometer

Fund Name & Benchmark	Product Labelling	Product Riskometer	Benchmark Riskometer
<p><b>Axis Banking ETF</b> (An Open Ended scheme replicating / tracking NIFTY Bank Index)</p> <p><b>Benchmark: Nifty Bank TRI</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Long term wealth creation solution.</li> <li>• An index fund that seeks to track returns by investing in a basket of NIFTY Bank Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>Nifty Bank TRI</p>
<p><b>Axis Technology ETF</b> (An Open Ended Exchange Traded Fund tracking NIFTY IT Index)</p> <p><b>Benchmark: Nifty IT TRI</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Long term wealth creation solution.</li> <li>• The fund that seeks to track returns by investing in a basket of NIFTY IT Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>Nifty IT TRI</p>
<p><b>Axis Healthcare ETF</b> (An Open Ended Exchange Traded Fund tracking NIFTY Healthcare Index)</p> <p><b>Benchmark: Nifty Healthcare TRI</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Long term wealth creation solution.</li> <li>• The Fund that seeks to track returns by investing in a basket of NIFTY Healthcare Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>Nifty Healthcare TRI</p>

# Riskometer

Fund Name & Benchmark	Product Labelling	Product Riskometer	Benchmark Riskometer
<p><b>Axis Consumption ETF</b> (An Open Ended Exchange Traded Fund tracking NIFTY India Consumption Index)</p> <p><b>Benchmark:</b> <b>Nifty India Consumption TRI</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Long term wealth creation solution.</li> <li>• The fund that seeks to track returns by investing in a basket of NIFTY India Consumption Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>NIFTY India Consumption TRI Index</p>
<p><b>AXIS NIFTY 50 INDEX FUND</b> (An Open Ended Index Fund tracking the NIFTY 50 Index)</p> <p><b>Benchmark:</b> <b>Nifty 50 Index TRI</b></p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>• Long term wealth creation solution.</li> <li>• An index fund that seeks to track returns by investing in a basket of Nifty 50 Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>Nifty 50 Index TRI</p>

# Riskometer

## Fund Name & Benchmark

### Axis AAA Bond Plus SDL ETF - 2026 Maturity

(An open-ended Target Maturity Exchange Traded Fund investing predominantly in constituents of Nifty AAA Bond Plus SDL Apr 2026 50:50 Index. A relatively high interest rate risk and relatively low credit risk)

**Benchmark: Nifty AAA Bond Plus SDL Apr 2026 50:50 Index**

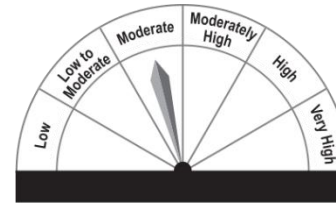
## Product Labelling

This product is suitable for investors who are seeking\*

- Income over long term
- Investment in AAA rated Corporate Bonds & State Development Loans (SDLs) as represented by Nifty AAA Bond Plus SDL Apr 2026 50:50 Index, subject to tracking errors.

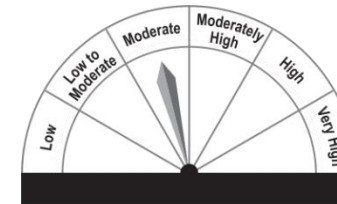
\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

## Product Riskometer



Investors understand that their principal will be at Moderate Risk

## Benchmark Riskometer



Nifty AAA Bond Plus SDL Apr 2026 50:50 Index

## Potential Risk Class Matrix

POTENTIAL RISK CLASS MATRIX			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

# Disclaimer, Statutory Details and Risk Factors

## **Disclaimer: Past performance may or may not be sustained in the future.**

NSE Disclaimer: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Draft Scheme Information Document. The investors are advised to refer to the Scheme Information Document for the full text of the 'Disclaimer Clause of NSE.

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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. Investors are requested to consult their financial, tax and other advisors before taking any investment decision(s). **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 Rs. 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.**

**Thank You**