

PROTECTING INVESTING FINANCING ADVISING

INDIA QUALITY ADVANTAGE FUND (IQAF)

Investment Manager

Aditya Birla Sun Life Asset Management Company Pte. Ltd.

٩ Investment Objective

The investment objective of the Fund is to generate superior risk-adjusted returns.

9 **Investment Philosophy**

The Fund invests in companies in India exhibiting consistent high-quality growth with investment horizon of medium-to-long term. It adopts a bottom-up stock selection approach based on 'Quality' parameters including but not restricted to Return on Equity, Return on Capital employed, Earnings and Profit margins.

Key Facts (as on 31st July 2018)

	50540,9 2010,9
Inception Date	November 3rd, 2014
Total Fund Size	USD \$7.6 million
NAV "D" Share	USD \$140.91
Domicile	Dublin, Ireland
Fund Base Currency	USD
UCITS	Yes
Benchmark	MSCI India
Benchmark Ticker	MXIN
Minimum Initial Subscription	USD 5000
Minimum Additional Purchase	USD 1000
Minimum Redemption	USD 1000

	Share Cl	ass wise		
	А	В	С	D
ISIN	IE00BJ8RGP20	IEOOBJ8RGQ37	IE00BJ8RGR44	IE00BJ8RGS50
Fund Ticker	NA	NA	NA	AINQADS ID Equity
Initial Charges	NIL	Max 3.0%	NIL	NIL
Redemption Charges*	NIL	Max 3.0%**	NIL	NIL
Expense Ratio p.a. (Including Mgmt. Fee)	2.00%	1.75%	1.35%	1.20%

This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out respectively.

** The exit load would be charged in the below slabs: Charge 3% for investors exiting within 1 year of investment Charge 2% for investors exiting within 2 years of investment Charge 1% for investors exiting within 3 years of investment For further details on Charges refer to the Prospectus and Supplement of the Fund.

Risk Statistics

Standard Deviation	16.46%
Sharpe Ratio#	0.42
Beta	0.87

Risk ratios pertains to "D" share class

Standard Deviation, Sharpe Ratio & Beta are calculated on Annualised basis using 3 year history of monthly USD returns.

All statistical ratios w.r.t. MSCI India Index # Risk-free rate assumed to be 2.03% (3 Month US Treasury Bill yield as on 31-July-18)

Synthetic Risk & Reward Indicator (SRRI)

Lower risk Higher r						Higher risk
Typically lower rewards					Typically	y higher rewards
1	2	3	4	5	6	7

4 Market Outlook

MSCI India inched up in month of July meaningfully outperforming the peer group - MSCI EM and MSCI APxJ. The sharp rully in July reversed YTD underperformance of MSCI India (US\$), outperforming both MSCI EM and MSCI APxJ

The market movement since beginning of the second half of the year seems to be reflecting the improvement in macro and micro situation. Indian equities had a robust month with a good start to Q1 earnings and the benchmark Nifty Index crossing the 11,300 mark for the first time. On the macro front, MSP announcement finally came through early in the month followed by GST rationalisation for several items in the GST council meet. The Parliament monsoon session began on a stormy note with an unsuccessful no-confidence vote against the incumbent government. Monsoons recovered from deficiency over the month. New GVW norms spiked interest with discussions around their impact on auto OEMs. Among sectors, Banks & Cement outperformed on the back of improving asset quality in corporate banks and some pricing strength in cement.

Consequently, we saw a return in risk appetite with both FIIs and DIIs as net buyers at ~US\$76m and ~US\$615m, respectively. FIIs flows turned positive after a continued outflow for three months. However, we may not call this a trend reversal in flows yet, as outflow risk to emerging markets persists from rising global yields and looming fear of trade wars

ъI Fund Performance (as on 31st July 2018)

Q1FY19 earnings so far have progressed well on the back of low base and demand recovery. 80% of MSCI India has reported Q1 results thus far. Sales growth (ex-financials) at 23% y-o-y is tracking the highest in the past six years. Within sectors Consumer Durables, Cement, Technology, Consumer Staples, Financials (largely NBFCs) have beaten earnings while Autos, Private Banks have missed so far. The base effect is at play, but management commentary suggests growth momentum remains very strong. Managements across companies cited rural consumption outpacing urban in their commentaries.

Also, the Indian economy is exhibiting signs of economic uptick on the micro and domestic fronts. Composite PMI at its highest level since October 2016 on the back of strong new business orders, the RBI suggesting the output gap has "virtually" closed pointing towards strong growth and private capex revival.

While the equity market derived comfort from improvement in corporate earnings growth visibility, we expect the market to remain volatile going forward. Besides global events, we believe domestic events like inflation trajectory and thereby RBI's plan of action on interest rates and outcome of state elections will induce volatility in the markets.



Period	IQAF	MSCI India	Outperformance
1 Month	5.0%	6.2%	-1.2% 🖊
3 Months	-3.6%	1.0%	-4.6% 🖊
6 Months	-6.0%	-5.7%	-0.3% 🖊
9 Months	-1.7%	1.4%	-3.2% 🖡
1 Year	-0.1%	3.9%	-4.0% 🖊
2 Year	12.9%	10.7%	2.2% 🕇
3 Year	8.9%	5.4%	3.4% 🕇
Since Inception	9.6%	3.7%	5.9% 🕇
YTD	-7.2%	-2.5%	-4.7% 🖊

Source: Bloomberg, ABSLAMC Internal Research

Returns are net of expenses. Returns are in % and absolute returns for period less than 1 year & CAGR for period 1 year or more. The returns for IQAF D Share & MSCI (India) are in US Dollars. Past performance is not indicative of future results. MSCI - Morgan Stanley Capital International. CAGR - Compounded Annualised Growth Rate. Returns shown above are point to point returns



ipper Ratings – Overall (Consistent Return)

Morningstar Rating

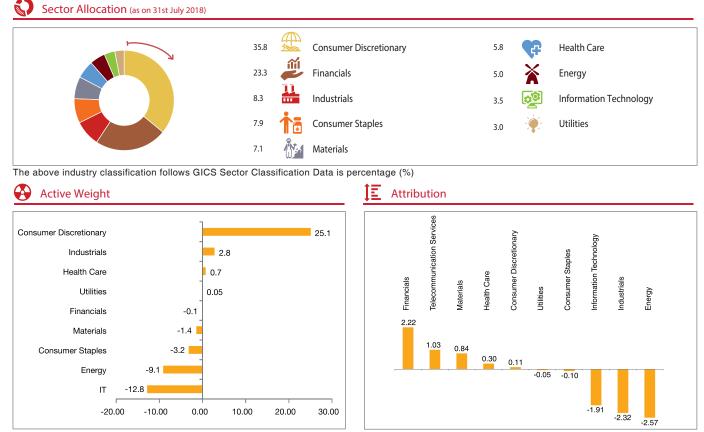
The rating is based on the current information furnished to Morningstar. For the methodology used refer to www.morningstar.com Lipper Leaders Rating

Funds are rated on a numeric scale of 5 to 1, with '5' representing funds with the highest rating (Top 20%) or Lipper Leaders, and '1' representing the lowest rated funds



PROTECTING INVESTING FINANCING ADVISING

INDIA OUALITY ADVANTAGE FUND (IOAF)



The above industry classification follows GICS Sector Classification. Portfolio details and attribution as of July 31, 2018. Attribution analysis for 1 Year data. Data in percentage (%)

Top Holdings (as on 31st July 2018)

INSTRUMENT NAME	% NAV	INSTRUMENT NAME	% NAV
BAJAJ FINANCE	4.51	YES BANK	4.01
EXIDE INDUSTRIES	4.15	PAGE INDUSTRIES	3.97
HDFC BANK	4.13	CHOLAMANDALAM INVESTMENTS	3.95
GODREJ CONSUMER	4.04	GRUH FINANCE	3.89
MARUTI SUZUKI INDIA	4.03	MARICO	3.85

Disclaimers:

Unit Entity No: 201001946G

Disclaimers:

This briefing has been prepared for your information only and shall not be reproduced, redistributed, passed on or relied upon by any person for any purpose. This presentation does not constitute an offer or an invitation is not authorized or (i) in which here person many jurisdiction (i) in which such offer or invitation is not authorized or (ii) in which here person many jurisdiction (i) in which such offer or invitation is not authorized or (ii) in which here person many jurisdiction (i) in which such offer or invitation is not authorized or (ii) in which here person harm your set is harmes, interests or units of any turous (the "Funds") multi unawful to make such offer or invitation. Nothing in this presentation hould be construed as investment objectives, funancial situation, risk profile and risk appetite. No assurance can be given that your investment objectives will be achieved or that you will receive a return of all or part of your principal. You are strongly urged to review the prospectus or offering memorandum of the Fund (including the risk considerations described therein), the subscription agreement and all related fund documents and to discuss any prospective investment in the Fund with your professional, financial or tax adviser.

Although the information herein has been obtained from sources believed to be reliable, we do not guarantee its accuracy, completeness or faineess and it should not be relied upon as such. We have relied upon as such deta and other information and are of informational purposes on your opticosticities and the protocytic sore accommendation by the investment manager of the fund, which may be based in whole or in part on sourch stat and other information and are or informational purposes on your opticostic as only the origon out constitute a recommendation by the investment manager of the fund, which may be based in whole or in part on sourch data and other info

For further details on Charges refer to the Prospectus and Supplement of the Fund.

Aditya Birla Sun Life Asset Management Company Pte. Ltd., Birla Sun Life Asset Management Company Limited and any associated company shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance on or usage of this presentation and accept no legal responsibility from any one who directly or indirectly receives this material. The final investment decision must be made by you as the investor and the responsibility for the investment must be taken by you. Aditya Birla Sun Life Asset Management Company Pte Ltd