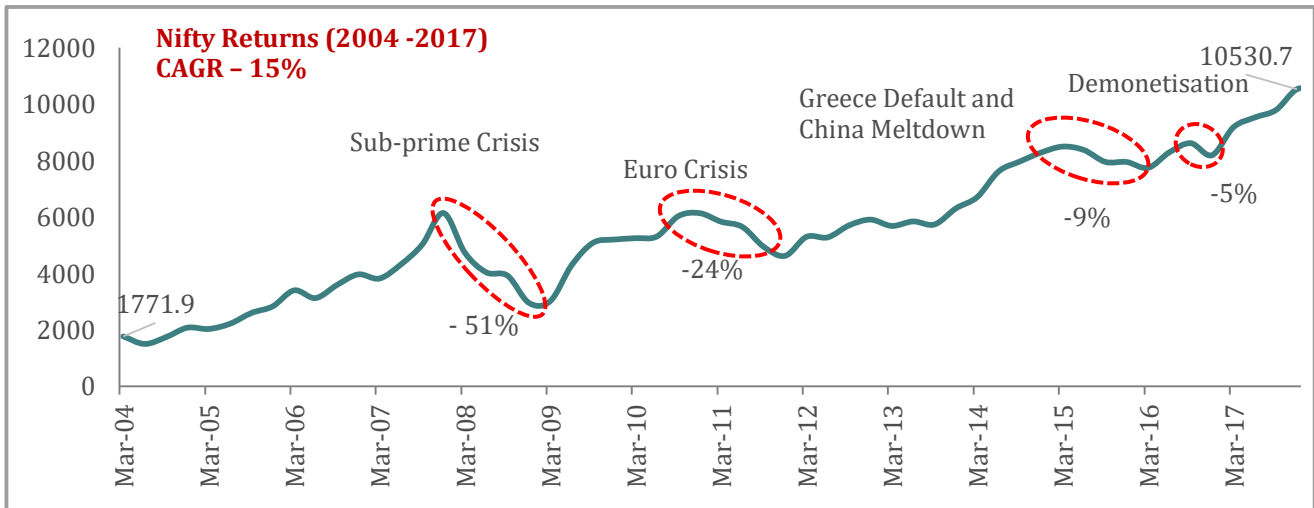


## LONG TERM VALUE CREATION IN EQUITIES



Source: Bloomberg

*“Far more money has been lost by investors preparing for corrections, or trying to anticipate corrections, than has been lost in corrections themselves” Peter Lynch*

In our view, there are multiple reasons **for markets to be volatile** going forward: -

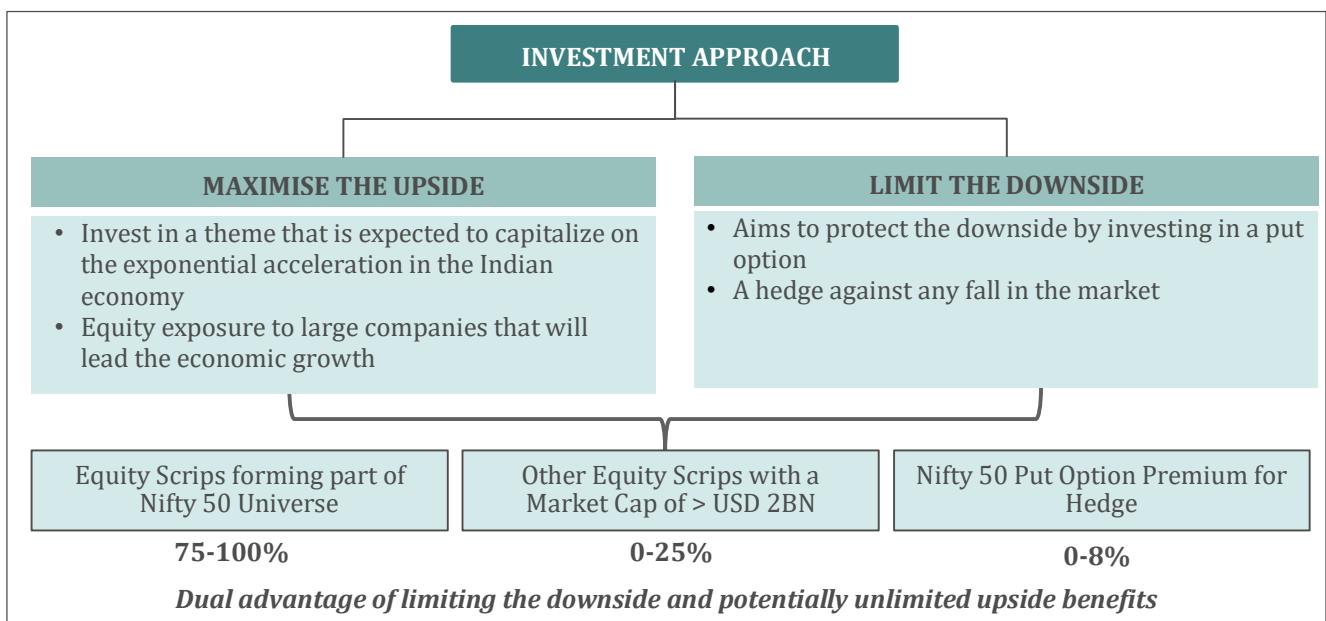
- High Valuations at 24 PE (Earnings to catch up)
- Forthcoming State and General Elections
- High US Fed Interest Rates.
- Rising Crude Oil Prices.

### Can one invest in equities in these volatile markets but safeguard the downside risk?

This is the gap that is addressed by **IIFL CAPITAL ENHANCER FUND - SERIES 1**

- ✓ A Mutual Fund scheme structured as an **ANNUAL INTERVAL SCHEME (1 year lock in<sup>1</sup>)**
- ✓ Investment in a portfolio of predominantly **Nifty 50 stocks** (large cap portfolio)
- ✓ **Portfolio hedged** through 1-year Nifty 50 Put Option against Market Downside.
- ✓ No compulsory redemption after 1 year. Investment can continue perpetually with rolling 1-year lock in and portfolio hedge thereof. The units of the scheme shall also be listed on National Stock Exchange (NSE)

**By safeguarding the downside, alpha generated over long term is huge.**



<sup>1</sup>The first STP (Specified Transaction Period) of the Scheme may occur beyond a period of 12 months from the close of the New Fund Offer (NFO) but not later than June 30, 2019. The subsequent STPs shall occur at an interval of 12 months.

# IIFL CAPITAL ENHANCER FUND - Series 1

An Annual Interval Scheme investing in Equity and Equity related securities<sup>1</sup>



## BACKTESTED RESULTS:

Period	NIFTY Returns	CRISIL Balanced Fund Returns	Strategy*
CY 2003	72%	43%	115%
CY 2004	11%	7%	24%
CY 2005	36%	23%	51%
CY 2006	40%	25%	42%
CY 2007	55%	37%	57%
CY 2008	-52%	-35%	-1%
CY 2009	76%	46%	139%
CY 2010	18%	14%	27%
CY 2011	-25%	-14%	4%
CY 2012	28%	21%	40%
CY 2013	7%	5%	9%
CY 2014	31%	25%	40%
CY 2015	-4%	0%	8%
CY 2016	3%	6%	7%
CY 2017	29%	20%	35%
<b>Overall CAGR</b>	<b>17.57%</b>	<b>13.73%</b>	<b>38.30%</b>

\*Back Tested Results for predominantly Large Cap Hedged Portfolio.

## Notes:

The above illustration aims to explain the strategy of the scheme, if it had existed in the past  
Back tested results are no assurance of future performance

**NFO Opens: Monday 23<sup>rd</sup> April 2018**

**NFO Closes: Friday 4<sup>th</sup> May 2018**

## KEY TERMS:

<b>OBJECTIVE</b>	To achieve long term capital appreciation by investing in equity and equity related securities, with strategy of hedging the portfolio with Nifty 50 Put Option and other Equity derivatives. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.
<b>BENCHMARK</b>	CRISIL Balance Fund – Aggressive Index
<b>FUND MANAGER</b>	Mr. Prashasta Seth has over 16 years of experience in the financial services industry. He has been with IIFL Wealth Group since inception and has been instrumental in setting up the equity desk at IIFL Wealth Group. As a Chief Executive Officer of IIFL Asset Management Limited (IIFL AMC), he has been instrumental in the launch of various products under Mutual Fund, Alternative Investment Fund and PMS of IIFL AMC. He is an MBA from IIM Ahmedabad and B Tech from IIT Kanpur. His previous assignments include a stint with JP Morgan, London and Irevna (a Standard & Poor's company).
<b>ASSET ALLOCATION</b>	Equity or Equity Related Instruments including Derivatives: 65 – 100% Debt and money market instruments: 0 - 35%
<b>MINIMUM APPLICATION AMOUNT</b>	<ul style="list-style-type: none"> <li>• Purchase – Rs 5000 and in multiples of Re1 thereafter (During NFO &amp; STP)</li> <li>• Additional Purchase - Rs 1000 and in multiples of Re 1 thereafter (Only during Specified transaction period)</li> <li>• Investments above the minimum amount mentioned, shall be made in multiples of Re. 1.</li> </ul>
<b>LISTING</b>	The units of the Scheme will be listed on the National Stock Exchange (NSE)

# IIFL CAPITAL ENHANCER FUND - Series 1

An Annual Interval Scheme investing in Equity and Equity related securities<sup>1</sup>



<b>This product is suitable for investors who are seeking*</b>	
Long Term Capital Growth	<p style="text-align: center;"><b>RISKOMETER</b></p> <p style="text-align: center;">Investors understand that their principal will be at moderate risk</p>
Investments in equity and equity related securities with a Strategy of hedging by buying NIFTY 50 Put Option and other Equity derivatives	
* Investors should consult their financial advisors if in doubt about whether the product is suitable for them for product suitability.	

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**NFO Forms can be submitted to any CAMS Location Pan-India**

## DISCLAIMER

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

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