


# Motilal Oswal

## MOST Ultra Short Term Bond Fund




(An open ended Debt Scheme)

This product is suitable for investors who are seeking\*

- optimal returns consistent with moderate levels of risk
- Investment in debt securities and money market securities with average maturity less than equal to 12 months
- Medium risk  (Yellow)

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

Risk is represented as –

	(BLUE) investors understand that their principal will be at low risk		(YELLOW) investors understand that their principal will be at medium risk		(BROWN) investors understand that their principal will be at high risk
--	--	--	---	--	--

AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY

# Agenda

Market Overview

MOST Ultra Short Term Bond Fund

AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY

# **Market Overview**

**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**

# Macro Economic - Overview

## Falling Growth And Lower Inflationary Expectation



Declining industrial production (IIP, Index January, 2014 at 0.10%)

Economic growth projection for Q3FY14 was noted at 4.70%

Core inflation expected to trend at lower levels in the coming months

## Current Account Deficit (CAD), Declining Consumer Price Index (CPI), Inflation And Stronger Rupee



FY14 CAD is expected to remain within target level of 4.4%

Wholesale Price Index (WPI) inflation for February at 4.68% against 5.05% for January 2014

Core inflation came in at 3.02%

CPI February at 8.10% Vs 8.79% for January 2014

Rupee appreciated to 59.86

## Shortage in Systemic Liquidity



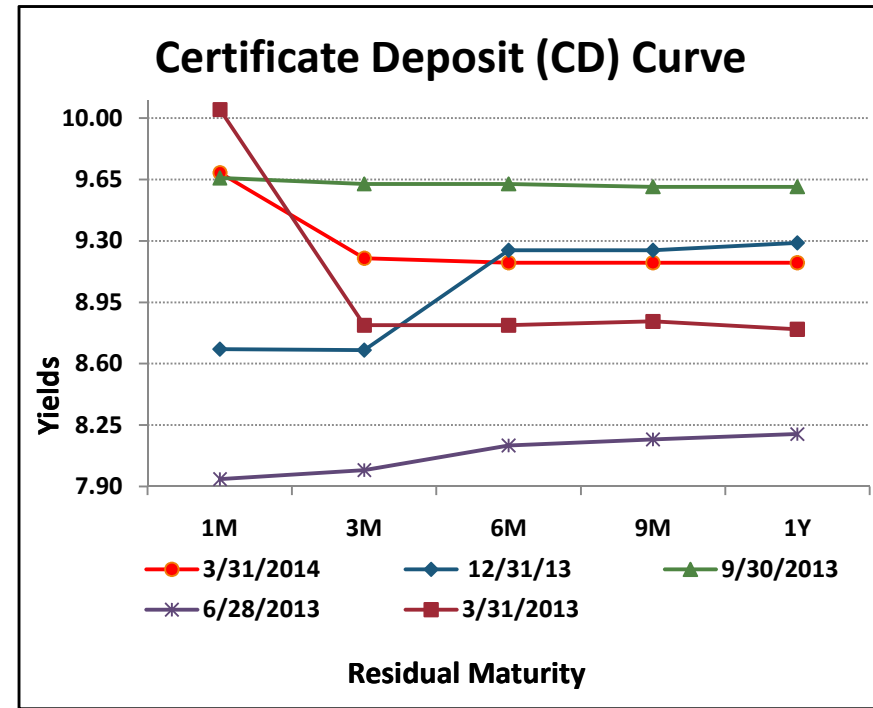
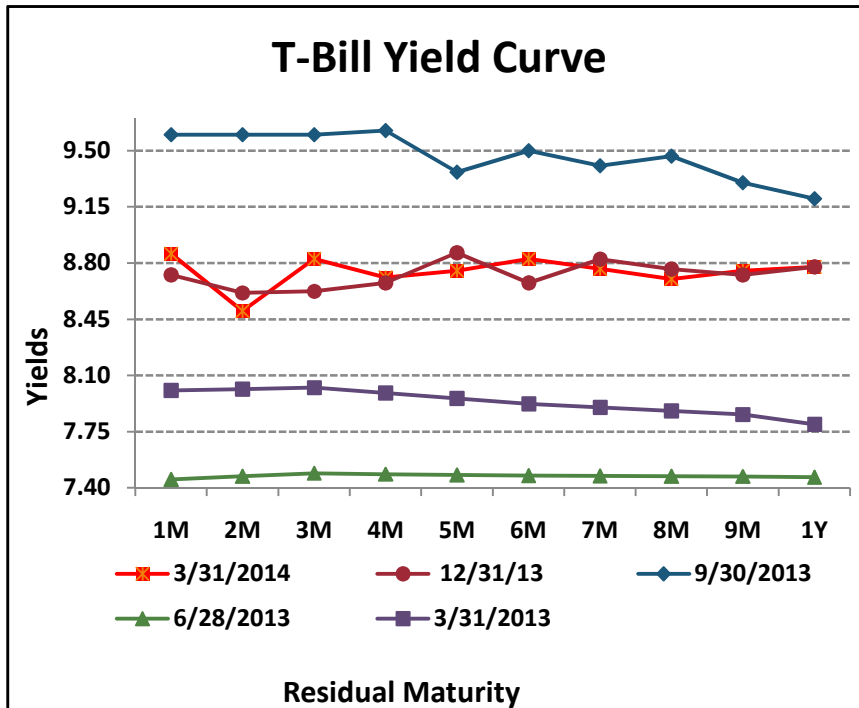
Systemic liquidity remains tight despite RBI increasing the limits for term reports

Advance tax outflows

Source: Bloomberg ,RBI , Internal Analysis. Data As on 31<sup>st</sup> March, 2014

AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY

# Shifts in Yield Curve



The above graphs show the transition of CD and T Bill curves from inverted to normal zone indicating improvement in systemic liquidity.

Source: Bloomberg ,RBI , Internal Analysis. Data As on 31<sup>st</sup> March, 2014 Note:- The information herein is used for comparison purpose and is illustrative and is not sufficient and shouldn't be used for the development or implementation of an investment strategy , past performance may or may not be sustained in future

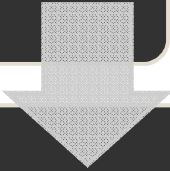
**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**

# **MOS<sub>t</sub> Ultra Short Term Bond Fund**

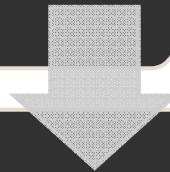
**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**

# MOST Ultra Short Term Bond Fund- Opportunity knocks

Overnight call rates are hovering around 8% to 8.10%



1 year CD rates around 9.20%- 9.25%



Avenue to temporarily park funds

Source: Bloomberg ,RBI , Internal Analysis. Data As on 31<sup>st</sup> March,2014

AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY

# Asset Allocation Pattern

<b>Instrument</b>	<b>Investment Pattern</b>	<b>Risk Profile High/Medium/Low</b>
Debt Instruments including Government Securities, Corporate Debt, Other debt instruments, Term Deposits and Money Market Instruments with average maturity less than equal to 12 months	0% - 100%	Low

For more details please read the Scheme Information Document (SID) of Motilal Oswal MOST Ultra Short Term Bond Fund

**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**



# Who Should Invest

**Motilal Oswal MOST Ultra Short Term Bond Fund is meant for investors including:**

- Resident Adult Individuals
- Qualified Foreign Investors (QFI)
- Non- Resident Indians (NRI)/Persons of Indian Origin(PIOs)
- Foreign Institutional investors
- Resident Adult Individuals
- Companies
- Public Sector Undertakings
- Banks (Including Co-Operative banks and Regional Rural Banks)
- Financial Institutions
- Religious and Charitable trusts

Please note that the above is an indicative list of persons eligible to invest in the scheme, for detailed list of eligible investors please refer to the section "Who Can Invest" in the Scheme Information Document (SID). You are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.

For more details please read the Scheme Information Document (SID) of Motilal Oswal MOST Ultra Short Term Bond Fund.

**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**

# Scheme Details

➤ **Type of Scheme:** An Open Ended Debt Scheme

➤ **Investment Objective :** The investment objective of the is to generate optimal returns consistent with moderate levels of risk and liquidity by investing in debt securities and money market securities.

However, there can be no guarantee that the investment objective of the scheme would be achieved.

➤ **Benchmark:** CRISIL Short Term Bond Fund Index

➤ **Entry Load:** Nil

➤ **Exit Load:** Nil

➤ **Plans:** Regular Plan and Direct Plan

➤ **Options (Under each plan):** Dividend (Payout and Reinvestment) and Growth

➤ **Minimum Application Amount:** Rs. 5,000/- and in multiples of Re. 1/- thereafter.

➤ **Additional Application Amount:** Rs. 1,000/- and in multiples of Re. 1/- thereafter.

**Systematic Investment Plan (SIP):** Minimum installment amount - Rs. 1,000/- (weekly / fortnightly/monthly) and Rs. 2,000/- (quarterly) and in multiples of Re. 1/- thereafter with minimum of 6 instalments for weekly /fortnightly/monthly frequency and minimum 3 instalments for quarterly frequency.

The dates for Auto Debit Facility shall be on the 1st, 7th,14th, 21st or 28th of every month.

➤ **Minimum Redemption Amount:** Rs.1,000 and in multiples of Re.1/- thereafter.

For more details please read the Scheme Information Document (SID) of Motilal Oswal MOST Ultra Short Term Bond Fund

**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**

# Fund Manager Profile

## **Abhiroop Mukherjee** **Fixed Income Fund Manager**

Mr. Abhiroop Mukherjee is the Fund Manager of this Scheme and is responsible for managing investments in debt funds (including liquid funds) and money market instruments of the Scheme.

Mr. Mukherjee is a PGPBF (Finance) from National Institute of Bank Management, a B.Com (Honours) from Calcutta University. He has over 7 years of experience in the Fixed Income trading. Prior to joining Motilal Oswal Asset Management Company Limited, he was a WDM dealer with PNB Gilts Ltd Mumbai. Earlier he had worked as an Assistant Vice President – Fixed Income Securities, between July 2007 to April 2011 where he was responsible for trading in Government Securities, Treasury Bills & Corporate bonds. At Motilal Oswal Asset Management Company Limited, he is designated as the Senior Manager.

Mr. Mukherjee is also the Fund manager of Motilal Oswal MOST 10 Year Gilt Fund (MOST 10 Year Gilt Fund) .

**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**

# Disclaimer

This presentation has been prepared and issued on the basis of internal data, publicly available information and other sources believed to be reliable. The information contained in this document is for general purposes only and not a complete disclosure of every material fact and terms and conditions and features of Motilal Oswal MOST Ultra short term Fund. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions, figures, charts/graphs, estimates and data included in this presentation are as on date and are subject to change without notice. While utmost care has been exercised while preparing this document, Motilal Oswal Asset Management Company Limited does not warrant the completeness or accuracy of the information and disclaims all liabilities, losses and damages arising out of the use of this information. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Readers shall be fully responsible/liable for any decision taken on the basis of this presentation. No part of this document may be duplicated in whole or in part in any form and/or redistributed without prior written consent of the Motilal Oswal Mutual Fund/Motilal Oswal Asset Management Company Limited. Readers should before investing in the Scheme make their own investigation and seek appropriate professional advice. Please read Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully before investing .

**Statutory Details: Constitution:** Motilal Oswal Mutual Fund has been set up as a trust under the Indian Trust Act, 1882. **Trustee:** Motilal Oswal Trustee Company Limited. **Investment Manager:** Motilal Oswal Asset Management Company Ltd. **Sponsor:** Motilal Oswal Securities Ltd.

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

**Past performance of the Sponsor/ AMC/ Mutual Fund and its affiliates does not indicate the future performance of the scheme and may not provide a basis of comparison with other investments.**

**AN ASSET MANAGER WITH A FOCUSED INVESTMENT PHILOSOPHY**